FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

Latin America

FBIS-LAT-90-151
Monday
6 August 1990

Daily Report
Latin America

FBIS-LAT-90-151 CONTENTS *6 August 1990*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

President Perez Addresses South Commission *[Caracas TV]* 1

INTER-AMERICAN AFFAIRS

Latin American Parliament Condemns Iraqi Invasion *[Madrid EFE]* 3
* Central American Economic Action Plan *[DIARIO DE CENTRO AMERICA 21 Jun]* 3

CARIBBEAN

Cuba

Alarcon Gives Havana's Position on Iraqi Invasion *[Havana TV]* 5
Embassy To Allow 'Extended' Stay by Refugees *[Mexico City NOTIMEX]* 5
Commentary on Presence of U.S. Troops in Bolivia *[Havana Radio]* 5
Shortages in Basic Goods Increase Rationing *[Mexico City NOTIMEX]* 6
Escalona Explains Cuban Single Party Experience *[Havana TV]* 6
Raul Castro on Second Day of Las Tunas Visit *[Havana Radio]* 7
Rodriguez Meets With Venezuelan President *[Havana Radio]* 7
Update on Combatants Withdrawn From Angola *[Havana Radio]* 7
Delegation Headed by Ramon Castro in PRC *[Havana Radio]* 7
Japanese Legislators Delegation Arrives in Havana *[Havana TV]* 8
    Further on Activities *[Havana TV]* 8

Inter-Caribbean Affairs

Sandiford Statement at End of Caricom Summit *[CANA]* 8
Caricom Leaders Issue Kingston Declaration *[CANA]* 9
Caricom Meeting Concludes, Communique Issued *[CANA]* 10
Caricom Sends Peace-Keeping Force to Trinidad *[Hilversum International]* 17

Antigua and Barbuda

Vere Bird Jr. Tries To Block Overseas Probe *[CANA]* 17

Bahamas

Government Joins Condemnation of Iraqi Invasion *[CANA]* 17

Barbados

Nation Prepared for Terrorist, Hostage Crisis *[CANA]* 17

Haiti

Constitutional Committee Protests Manigat Ban *[Port-au-Prince Radio]* 18
    More on Committee Statement *[Port-au-Prince Radio]* 18
Measure Protested; Reversal Deadline Given *[Port-au-Prince Radio]* 19
Paper Publishes Newly-Released Electoral Calendar *[LE NOUVELLISTE 1 Aug]* 20

Jamaica

Crime Suppression Act Introduced Due to Violence *[CANA]* ... 20

Trinidad and Tobago

Rebel Holdouts Sought; Cleanup Begins *[Bonaire Radio]* ... 21
Robinson Describes His Treatment by Rebels *[CANA]* ... 21
Caribbean Troops Guard Key Installations *[CANA]* ... 21
Muslim's Commune Destroyed by 'Mysterious Fire' *[CANA]* ... 22

CENTRAL AMERICA

El Salvador

Catholic Church Denounces 'Death Squads' *[ACAN]* ... 23
Coprefa Chief Chavez on Recent FMLN Actions *[San Salvador TV]* ... 23
UNTS on Creation of Paramilitary Groups *[DIARIO LATINO 1 Aug]* ... 23

Guatemala

Cerezo on Impact of Deputy's Death on Elections *[Guatemala City TV]* ... 24
Army Patrol Seizes Guerrilla Arms Cache *[EL GRAFICO 3 Aug]* ... 24
Cacif Announces Willingness To Meet URNG *[PRENSA LIBRE 2 Aug]* ... 25
URNG Says Elections Do Not Favor Democracy *[ACAN]* ... 25

Honduras

Reportage Covers Talks, End of Sitraterco Strike ... 26
    Workers Reject Pay Raise Offer *[Mexico City NOTIMEX]* ... 26
    Government on Labor Problems *[Tegucigalpa Radio]* ... 26
    Soldiers Disperse Union Protesters *[Tegucigalpa Radio]* ... 27
    Decree on 'Intervention' in Dispute *[Tegucigalpa Radio]* ... 27
    Economic Strike Damage Assessed *[Tegucigalpa Radio]* ... 28
    Labor Minister Makes Statement *[Tegucigalpa Radio]* ... 28
    Sitraterco Termed Stubborn *[Tegucigalpa Radio]* ... 29
    Peace Reported Throughout Country *[Tegucigalpa Radio]* ... 30
    Sitraterco Leader Says Two Wounded *[ACAN]* ... 30
    Soldiers Patrolling Tegucigalpa *[Mexico City NOTIMEX]* ... 30
    Callejas Announces End of Strike *[Tegucigalpa Radio]* ... 31
    Document Outlines Agreement *[Tegucigalpa Radio]* ... 31
Presidency Reports 'Many' Back to Work *[Tegucigalpa Radio]* ... 32
Banana Workers Urged To Return to Jobs *[Tegucigalpa Radio]* ... 32
Callejas Denies Knowledge of Incident at Border *[TIEMPO 31 Jul]* ... 33
Government, Workers Agree To Hold Meetings *[EL HERALDO 26 Jul]* ... 33
Editorial Urges Government 'To Profit' From Plan *[LA PRENSA 1 Aug]* ... 34
UN Rejects Charges on Contra Assistance *[ACAN]* ... 35

Nicaragua

Government 'Deplores' Iraqi Invasion in Kuwait *[ACAN]* ... 35
Workers Reach Agreement, Retract Demands *[Managua Radio]* ... 35
Commentary Rejects False Sandinists Rumors *[Managua Radio]* ... 36
FNT's Jimenez Reviews Chamorro's First 100 Days *[Managua Radio]* ... 36
FNT Leader Announces Call for Another Protest *[Managua Radio]* ... 37
Cosep Leader Says Disturbances 'Drawing Near' *[Managua Radio]* ... 37
Government Announces Pay Raise for Employees *[ACAN]* ... 38
Mayorga Blames High Inflation Rate on Sandinists *[Mexico City NOTIMEX]* ... 38
Chamorro Receives Drill Donation From UNICEF *[Managua Radio]* ... 39
Police Confiscate Weapons in Managua *[Managua Radio]* ... 40
* Carlos Carrion on Democratization, Strategy *[West Berlin DIE TAGESZEITUNG 2 Jul]* ... 40

Panama

Government Condemns Invasion of Kuwait *[Panama City TV]* 41
DRP Fails To Locate Noriega Documents *[LA ESTRELLA DE PANAMA 4 Aug]* 41
Minister Ford Asks Labor Leaders To Be Honest *[LA PRENSA 3 Aug]* 42
PDC Calls for Changes in Endara Government *[Panama City TV]* 42
Endara Files Libel Suit Against Professor *[Panama City TV]* 43
Church Document Criticizes Government Leadership *[EL PANAMA AMERICA 3 Aug]* 43
Ship Carrying Nuclear Waste Said Not Harmful *[Mexico City NOTIMEX]* 44

SOUTH AMERICA

Argentina

Menem Will Not Mediate Between Spain, Cuba *[Madrid EFE]* 45
Cavallo: Menem, Collor To Meet Bush 29-30 Sep *[TELAM]* 45
Menem To Attend Colombian Inauguration 6-7 Aug *[NOTICIAS ARGENTINAS]* 45
Cavallo Opposes Economic Sanctions on Iraq *[NOTICIAS ARGENTINAS]* 45
Japanese Officials Receive Reply to Okita Report *[TELAM]* 46
Government To Promote Pampa Plane in U.S., UK *[NOTICIAS ARGENTINAS]* 47
Government Makes Third Payment to Creditors *[NOTICIAS ARGENTINAS]* 47

Bolivia

Security Organizations Coordinate Quayle's Visit *[La Paz Radio]* 47
Congressional Authorities for New Period Elected *[La Paz TV]* 48
Secretariat Cited on Visa Irregularities *[EL DIARIO 26 Jul]* 48

Brazil

Collor Orders Radar System for Amazon Region *[O GLOBO 3 Aug]* 48
Leaders Discuss Effects of Iraq-Kuwait Conflict *[Brasilia Radio]* 48
Itamaraty Views U.S. Call for Sanctions on Iraq *[Brasilia Radio]* 49
Daily Analyzes Collor's New Foreign Policy *[O ESTADO DE SAO PAULO 31 Jul]* 49
  Part II *[O ESTADO DE SAO PAULO 1 Aug]* 50
Argentina's Cavallo Notes Integration Problems *[FOLHA DE SAO PAULO 3 Aug]* 51
Argentine Minister Sees Joint Action on Debt *[O GLOBO 3 Aug]* 51
IMF Chief Arrives, Approves Economic Opening *[Rio de Janeiro TV]* 52
Soviet Delegation Visits Scientific Centers *[O GLOBO 4 Aug]* 52
Military Chief Opposes Personnel Reduction Plans *[O GLOBO 4 Aug]* 52
Norwegian Tanker Spills Gasoline in Santos *[Madrid EFE]* 53
Details of National Treasury Surplus Reported *[FOLHA DE SAO PAULO 3 Aug]* 53
Rio de Janeiro Cash Freed To Pay Debt *[Brasilia Radio]* 53
* Short-Term Credit Lines May Be Refused *[O ESTADO DE SAO PAULO 5 Jul]* 53
* Ability To Compete Internationally Declines *[O ESTADO DE SAO PAULO 20 Jun]* 54
* Air Ministry Cuts Estimated at Cr$15 Billion *[O ESTADO DE SAO PAULO 27 Jun]* 54
* Military Score Government Wage Policy *[O ESTADO DE SAO PAULO 30 Jun]* 54
* 1990 Census Delayed; Societal Change Predicted *[O ESTADO DE SAO PAULO 29 Jun]* ... 55

Chile

Bush's Aid Sought To Lift National Goods Ban *[Santiago Radio]* 56
Rojas Cites Reasons for Security Council Meeting *[Santiago Radio]* 57
Economy Minister Calls Free Zone Idea 'Positive' *[Santiago Radio]* 57
  Further on Ominami's Remarks *[Madrid EFE]* 58
Nuclear Energy Agreement Signed With Argentina *[Santiago TV]* 58
FRG Economic, Technical Cooperation Resumed *[Santiago TV]* 58

Colombia

- President-Elect Designates Four New Ministers *[Bogota Radio]* 58
- Changes to Judicial System Planned in Assembly *[Bogota Radio]* 59
- FARC Fronts Agree to Dialogue With Government *[Mexico City NOTIMEX]* 59
- FARC Creates Commission for Peace Negotiations *[Bogota TV]* 59
- Government, PRT Sign Peace Agreement *[Panama City ACAN]* 60
- Paramilitary Group Chief on Agreement To Disband *[EL TIEMPO 1 Aug]* 60
- Government Eliminates Military Command in Uraba *[EL TIEMPO 1 Aug]* 60
- Medellin Cartel Threatens To Launch Offensive *[Mexico City NOTIMEX]* 61
- 3,500 Policemen To Patrol Bogota for Inauguration *[Bogota Radio]* 62
- Recent Battles Between Army, Guerrillas *[Bogota TV, etc.]* 62

Paraguay

- Government To Reorganize Central Administration *[ULTIMA HORA 4 Aug]* 62
- Defense Minister Discusses Troop Reductions *[HOY 4 Aug]* 62
- Military Personnel Withdrawn From Eviction Duty *[ABC COLOR 4 Aug]* 63

Peru

- Prime Minister Hurtado To Give Speech on 8 Aug *[Lima TV]* 63
- Foreign Minister To Seek Financial Development *[EL COMERCIO 31 Jul]* 64
- Interior Minister on Police Reorganization *[Lima TV]* 64
- National Police Director General Installed *[EL COMERCIO 1 Aug]* 65
- New Central Bank Directors Sworn In *[EL COMERCIO 1 Aug]* 65
- Official Discusses Impact of Oil Shortage *[Lima TV]* 65
- Change 90 Leader Slain in Junin Departments *[Lima TV]* 66
- 37 Terrorists, 7 Military Men Killed in Clashes *[EL COMERCIO 31 Jul]* 66
- Government Denies Italian Extradition Request *[EXPRESO 31 Jul]* 66

Uruguay

- Government Condemns Iraqi Invasion of Kuwait *[Madrid EFE]* 66
- Gros Espiell Evaluates Ministers Meeting *[Madrid EFE]* 67

Venezuela

- Perez on OPEC, South Commission Report *[Mexico City NOTIMEX]* 67
- Salinas, Perez Renew Energy Agreement *[Madrid EFE]* 68
- Official Sees No Change in Oil Policy *[Madrid EFE]* 68
  - Perez on Oil Prices, Foreign Debt *[Madrid EFE]* 69
- Malaysian Prime Minister Mohamed Ends Visit *[Kuala Lumpur BERNAMA]* 69

Guyana

- Soldiers Join Colleagues in Trinidad-Tobago *[CANA]* 70

President Perez Addresses South Commission

PA0308224890 Caracas Venezolana de Television Canal 8 in Spanish 1526 GMT 3 Aug 90

[Speech by Venezuelan President Carlos Andres Perez at the South Commission meeting in Caracas—live]

[Excerpts] Gentlemen: I am honored to share this tribune of the developing world that has been erected in Caracas with Julius Nyerere, African leader and chairman of the South Comission, and with Datuk Sri Dr. Mahathir bin Mohamad, Malaysian prime minister and key figure of Asia. The South Commission members have come from different roads throughout the developing world to hold a meeting to unveil a report. This report was completed after three years of work, directed by a permanent secretariat and headed by Dr. Mahathir bin Mohamad, who efficiently devoted himself to the task entrusted to him. He was assisted by a small yet efficient group of aides. I would like to begin my speech by unveiling the report, which lends its voice to history and Third World leaders, by saying here: We have no regrets about what we did. The mistakes, omissions, and errors made by the developing countries over so many decades stem from an international situation of injustice, in which the lives of the developing countries have evolved on three continents, covering two-thirds of mankind. [passage omitted]

We hope to give the meeting of the Third World Science Academy to be held in Caracas the full signifiance it has for the Latin America world. At that meeting we hope to submit an idea or initiative, imitating—because we must imitate good things—the decision of the European countries to join efforts and create the Eureka project. The European countries realized they would not be able to promote an adequate advancement of science and technology on their own.

It is our intention to submit to Latin America the Simon Bolivar project at the Third World Science Academy to join the efforts of all countries in the search for science and technology to accelerate our development and welfare for all the peoples of Latin America. I could not attempt, and my illustrious friends President Nyerere and Prime Minister Mahathir bin Mohamad did not either, to describe and comment on each and every one of the topics discussed and detailed in the report.

We have received something that has no intrinsic value because it is comprised of words, advice, views, and proposals whose value is that which we, the governments and peoples of the developing nations, may give them. It has the value we assign it if we understand that each and every one of our countries amounts to very little in this world led by science and technology and by the major transnational companies that are even more important than governments. None of our countries are worth anything if we do not understand that the first condition, as President Nyerere has said, is to wake up and implement the possibilities for self-dependence. This does not entail isolating ourselves from the North, but promoting all the possibilities that exist in our nations to share wealth and experience, to share markets, to enhance our capacity to negotiate, and to make us stronger in this competition no country in the world is spared and that, perhaps, commits the major industrialize nations the most. The principle of self-dependence, the need for South-South relations, is perhaps what lies at the core and is the culminating point of the report submitted today by the South Commission for the consideration of our all countries. Therein lies the secret. Therein lies the true challenge. The challenge to the South is the challenge to its will, its capability to reach consensus and to understand that if we continue looking toward the North—if we do not look to the left and right and see our brothers, the developing countries on three continents—we will not be able to achieve our purposes, and we will foil every effort and sacrifice we are now making.

We must still review our stance toward the foreign debt, another problem that disturbs us and requires adjustments by the North. The North made the mistake of thinking that economic adjustments could be achieved without backing development and economic growth projects. It has corrrected that mistake in a very small way with respect to some countries. There is no doubt, and we must admit as much, that the Brady Plan by President Gerorge Bush constitutes a correction, but an inadequate one. It is not inadequate because just a few countries qualify for it, but because it merely constitutes a palliative to the serious problem that will continue weighing down our countries.

Corrections from the North must entail a new international economic order, which is something we have asked for not to provoke a confrontation, but rather because it is unjust, insufficient, negative, and in the long run will impoverish all of mankind unless it is changed. The IMF, an institution founded by the winners of World War II, has proven that it is insufficient and unable to reach the objectives sought by its principles, despite insufficient changes that may have been made in the past years as a result of the permanent and dedicated efforts we have waged—although the South countries of Asia, Africa, and Latin American, have sadly lacked the capability to join efforts, often because selfish interests came first.

I must conclude this speech. However, I must say that the report issued in this meeting stresses an immense truth that we must understand. The world demands full compliance with the law. International laws are the only ones that can ensure security, happiness, and peace. The world has made progress insofar as the observance of international laws.

There is an institution which we laugh at, criticize, and disapprove of sometimes and hardly ever applaud. I am referring to the United Nations. Its supreme, majestic, and noble principles have always been led in accordance to the interests of the world powers. The East-West confrontation has been decisive in the United Nations' destiny and a few nations' power to veto has always been a denial of the international justice advocated by the United Nations.

There are new paths and perspectives for the United Nations. The strengthening of the United Nations is our people's basic and essential task. The strengthening of the United Nations and everything it entails is our people's main task. Our people's task now is to recover and strengthen the true goal of the multilateral organizations that the United Nations has created, including UNCTAD [UN Conference on Trade and Development], ILO, UNESCO, and many others. That is one of our essential paths, because those of us who reject confrontation and sincerely seek peace and fraternity among nations also want to discuss all possibilities for peace, justice, and well-being amid conditions of equality. For our people we must make special efforts to strengthen the United Nations and we must demand that the world powers abide by their commitments to that organization. This is one of the most important meanings of detente, which increases the value of multilateral organizations.

To conclude, I would like to say a few words about the Group of 15. We made an important decision during the Nonaligned Movement meeting in Belgrade in 1989. At that meeting, the member countries began to speak the language of the new times and we did not unfurl any banners, because we did not go there to wave any banners. At that meeting, we spoke in a new lanaguage. We held a dialogue and we agreed to create a group comprised of 15 heads of state of the three developing countries' continents. Venezuela was honored to be chosen as a member of that group. That group was called the South- South Group of Consultation and Cooperation. With a small secretariat, which is responsible for following up on all issues, this group intends to be the permanent coordinator of the plans and goals to incorporate the developing countries into the world of the big decisions; to promote North-South understanding; and to strengthen South-South relations. Those are the goals of the Group of 15, which will honor us by holding a meeting here in Caracas in July. Caracas will then be the center of attention of the developing countries. It will also be the time to request rectification, fraternity, and a dialogue amid conditions of equality from the North.

At the moment of presenting my greetings and respectful congratulations to all the members of the South Commission, to which I am honored to belong, and to its secretary Dr. (Sing) and his assistants, I want to congratulate the Venezuelan people because Caracas is the place where the South Commission report was issued. Thank you very much. [applause]

Latin American Parliament Condemns Iraqi Invasion

PA0408004490 Madrid EFE in Spanish 2333 GMT 3 Aug 90

[Text] Bogota, 3 Aug (EFE)—The 21 nations that comprise the Latin American Parliament today condemned the Iraqi invasion of Kuwait and requested its immediate withdrawal.

The organization, with headquarters in Bogota, demanded international solidarity in strongly condemning the invasion.

The Latin American Parliament president, Colombian Senator Humberto Pelaez Gutierez, asked governments in the region to adopt punitive measures against Baghdad, which would include suspending the purchase of oil from Iraq and searching for other markets.

Pelaez stated: We cannot allow a nation which has just waged a long war to relapse by attacking another one of its neighbors, thus provoking mankind's uncertainty, at a time when the world is experiencing a peaceful revolution through dialogue and is engaged in the search for peace and the end of the cold war, which ravaged the world for several years.

The congressman highlighted the terminology used by the United States, the Soviet Union, and other world powers to condemn the Arab country's invasion.

* Central American Economic Action Plan

90CA0079A Guatemala City DIARIO DE CENTRO AMERICA in Spanish 21 Jun 90 p 5

[Text] The presidents who met in Antigua Guatemala [Old Guatemala City] during the "Economic Summit" meeting noted with approval the proposal to establish the Economic Community of the Central American Isthmus.

On this historic occasion the chief executives of the area (Rafael Angel Calderon Fournier, Costa Rica; Marco Vinicio Cerezo Arevalo, Guatemala; Violeta Barrios de Chamorro, Nicaragua; Alfredo Cristiani Burkard, El Salvador; Rafael Leonardo Callejas Romero, Honduras; and, as an invited observer, Guillermo Endara Galimany, of Panama) approved a Central American Economic Action Plan [PAECA] containing the new legal and operational framework of integration.

The document states that the six presidents have agreed:

1. To begin with a brief analysis and study of the legal and institutional instruments of integration, in order to establish a new juridical and operational framework for integration. The ministers responsible for regional integration and development are instructed to begin this process as soon as possible.

2. To carry out the commitments accepted under the Financial Convention between the European Economic Community and the countries of Central America for the establishment of a regional payments system, as well as the commitments contained in the attachment to this document called the "Program for Dismantling Obstacles to Trade Between the Countries of Central America."

3. In terms of customs duties, to instruct the ministers responsible for regional integration and development to present to their respective colleagues, within a period of no more than three months counting from this date, a program and the specific timing for the application of the levels of customs duties to be established.

Program of Infrastructure and Trade Integration

4. To promote a program for the construction and rebuilding of physical infrastructure which will give full support to projects for Central American channels of transportation, communications, customs, ports, and the generation and transmission of electricity, with a view toward integrated development within these countries, and the external world. The ministers responsible for the corresponding sectors are instructed to prepare within a period of no more than six months an inventory of projects which will lead to the formulation of a program to achieve the objectives already set out.

5. To instruct the competent authorities to coordinate and encourage the adoption of measures to facilitate Central American transportation of persons and goods, simplifying customs and immigration procedures.

6. To reiterate the mandate given to the ministers responsible for economic integration and regional development to complete the preparation, within the agreed upon time, of the Program for the Dismantling of Obstacles to Central American trade, related to negotiations placing on a multilateral basis agreements covering intraregional trade.

Regional Coordination for the Promotion of Foreign Trade

7. To design a selective program to coordinate in an efficient manner a Foreign Service to represent Central America on matters of foreign trade, the promotion of foreign investment, tourism, and multilateral negotiations affecting the region.

In this connection, the presidents of Central America instruct our respective ministers of foreign relations and of economy or those responsible for foreign trade or groups responsible for tourism, to prepare within their offices and within a period no longer than three months from today's date, a proposal to be submitted for the information of the ministers responsible for integration and regional development.

8. To instruct the ministers of economy to coordinate their actions leading to:

a) Analyzing the process of joining and participating in GATT [General Agreement on Tariffs and Trade]. Negotiations under way for entry into GATT should take into consideration the conditions already negotiated by those Central American countries which are now members of that organization, in order to avoid treatment which will distort the competitive position of those countries.

b) Taking the necessary steps to make permanent and to broaden the non- reciprocal concessions achieved in certain markets, aimed at expanding the Caribbean Basin initiative. Other objectives include achieving joint treatment similar to that which has been extended to the countries benefitting from the Lome Convention and better participation and favorable treatment in the markets of America, Europe, and Asia.

Active Participation by Social Sectors

9. To instruct the ministers responsible for integration and regional development to develop flexible and dynamic mechanisms, within a period of three months, to provide for broad procedures for consultation and participation among the governments, and the various social sectors related to development so that they will participate fully in decision making in the Central American region, leading to the achievement of the purposes sought at the present "Economic Summit."

Policy of Industrial Reconversion

10. To instruct the ministers responsible for integration and regional development to promote a policy of gradual and selective industrial reconversion in order to improve the efficiency of productive activity and to promote the development of complementary aspects of our countries, the entry into new markets, and competitive import substitution in areas considered appropriate.

Economic Democratization of State Enterprises

11. To support the processes for the transformation of state-owned, productive companies, in order to promote economic democratization and broader and more efficient ownership of productive goods.

Coordination of Agricultural Policy

12. To instruct the competent ministers to prepare, over a period of three months beginning today, a coordinated, agricultural policy adequate for this plan, especially in certain aspects of production, support services, and technology. [This policy would have the dual goal of] achieving a rapid recovery and expansion of traditional export products and an increase in non traditional exports, as well as achieving greater, regional food security and ensuring the supply of industrial inputs, thus generating relationships in the field of production.

Regional Policy on Science and Technology

13. To instruct the ministers responsible for integration and regional development and governmental bodies competent in the fields of science and technology to develop a policy within a period of six months for the best use of the knowledge available in each of our countries. At the international level to generate our own resources and to prepare regional projects promoting technological innovation on a selective basis, to be integrated into our new, joint strategy toward other markets. At the same time and for such purposes the ministers responsible for integration and regional development, over the same period of time, will take the necessary steps leading to the redesign of regional organizations related to education and scientific and technological research.

Coordination on Programs of Economic Adjustment

14. To promote processes of coordination regarding programs of macroeconomic adjustment in each country and to establish the bases for regional development, in view of the fact that they are necessary to promote the adequate development of our countries for the direct benefit and the well being of the Central American peoples.

Programs of Social Compensation and Economic Adjustment

15. To instruct the responsible ministers to undertake specific programs over the next three months to minimize the impact which, over the short term, may be caused by efforts to achieve economic adjustment among the most disadvantaged groups. To incorporate groups with the smallest resources into the process of development, through access to capital goods, technology, and vocational training, especially for groups related to the informal [not legally authorized] sector, small businesses, and other, associated forms of production. The preparation of plans for rural development is an integral part of this instruction.

Consultative Forum on External Debt and International Financial Cooperation

16. To instruct the ministers of finance or treasury and public credit, as well as the presidents of the respective central banks, to set up, within a period of one month, a forum for Central American consultation and coordination on the external debt in order to find appropriate solutions for bilateral or multilateral debt.

17. To instruct the appropriate officials to undertake negotiations to make more flexible additional, financial cooperation intended for economic reconstruction and to ensure the consolidation of democracy, peace, and productive change, with emphasis on joint programs of regional action.

Cuba

Alarcon Gives Havana's Position on Iraqi Invasion

FL0308180790 Havana Radio Rebelde Network in Spanish 1700 GMT 3 Aug 90

[Interview with Ricardo Alarcon, vice foreign minister and ambassador to the United Nations by Jorge Ibarra; place and date not given—recorded]

[Text] [Ibarra] Comrade Alarcon, our listeners are interested in hearing the details involving the situation in the Persian Gulf and our country's position.

[Alarcon] It is a very regrettable situation because our country has had a lot of history with these two Arab countries. Cuba has had friendly relations with them. Of course this divides all of those countries. Instead of strengthening the solidarity needed by the Arab countries, this incident has created division and has weakened the Arab front against the Israeli occupation of the Palestinian territory and the [words indistinct] policy of the imperialists. In addition, it allows the United States to take advantage of the situation to try and intervene more directly in the affairs of that area. Yesterday, President Bush used this incident to justify the demand for more resources for the budget of the U.S. Pentagon. He cited the situation of instability and the risks that exist in that area.

In the meantime, our country is in a truly uncomfortable, unpleasant position. Our principles have obviously been violated by the actions in and against Kuwait. To us the principles of nonintervention, the non-use of force in international relations, the solution of all disputes or controversies through peaceful negotiations without the use of threats or force, are principles that we have to defend at all costs. We also believe in the principle of territorial integrity, sovereignty, and the independence of nations.

Obviously, all these principles were violated when foreign troops, in this case from Iraq, entered Kuwait.

[Ibarra] How was the letter regarding this matter, sent by Commander in Chief Fidel Castro to the president of the Nonaligned Movement, received?

[Alarcon] I think that the letter.... [changes thought] Of course, it has not been reported by the U.S. media here.

[Ibarra] Of course not.

[Alarcon] It is not easy here to report on statements—not just ours, but also the Nonaligned Movement's deeds or thoughts on any matter. However, what sensible people outside this country think—I'm speaking about [words indistinct] nonaligned countries, the progressive forces of other continents—is that this is a deplorable act, an incident which requires a solution that will strengthen and not weaken the Third World. Some hopes have been raised by the meetings now being held by the Arab League, which could play a role in all of this. It could help mediate and find a solution to the conflict. The Nonaligned Movement and its president should also take actions and make an effort to bring the conflict to an end.

Embassy To Allow 'Extended' Stay by Refugees

PA0308221690 Mexico City NOTIMEX in Spanish 2032 GMT 3 Aug 90

[Text] Havana, 3 Aug (NOTIMEX)—The Spanish Embassy in Havana is preparing to give "extended lodging" to the 18 Cubans who have been in the embassy as refugees for more than two weeks.

Ignacio Ruperez, charge d'affaires of the Spanish Embassy, told reporters that he has asked Madrid for food, mattresses, medicine, and other articles to take care of the "guests."

Ruperez said that there are no signs in sight for a speedy solution to the embassy conflict, although the Spanish and Cuban Governments are discussing means to solve the problem.

The Cuban Government holds firm in its position that anyone who enters an embassy by force does not have the right to obtain a visa to leave the country. It also says to obtain a visa the person must leave the embassy unconditionally.

Ruperez stressed that the Spanish diplomatic mission is neither holding the Cubans nor asking them to leave.

The Spanish Embassy has been surrounded for more than two weeks by a special security force that bars access to the embassy even to people who go there on official business.

The diplomats handle embassy affairs amid the security deployment while the public has to wait for hours in a nearby park.

Commentary on Presence of U.S. Troops in Bolivia

PA0408225290 Havana International Service in Spanish 0100 GMT 4 Aug 90

["Our America" commentary]

[Text] Health programs reaching the most isolated areas, food aid for thousands of needy people, agricultural plans to replace crops, and many more projects could be implemented in Bolivia. That is why labor organizations and the political opposition in general are wondering with displeasure to what extent the airport in Potosi needed to be expanded. This project has already brought in 350 U.S. soldiers.

This is the second phase of the project. The first one was implemented last year when it was rejected by the Bolivian public, which complained at that time and is now complaining with even more reason about U.S. meddling in domestic affairs.

There is no shortage of right-wing figures who openly want U.S. soldiers to work on this project. However, the just reply of those who oppose it is that there was no need to bring in foreign troops to remove a hill and expand the airport's operational capability. Bolivia has a surplus labor force that could do that work.

The truth is that the work being carried out by U.S. soldiers in Bolivia could easily be used as a pretext to indefinitely prolong their presence in the country, with all the meddlesome risks that this implies. We must not forget the plans of the Bush administration to send troops into countries that are growing cocaine leaves to launch the antidrug crusade.

Everytime there are developments, such as the one that is drawing our attention today, there is a resurfacing to the public eye of the ever valid argument about the absurdity of the unilateral struggle that the U.S. Government is determined to wage at all cost, as if an antidrug campaign needs only be conducted in drug producing countries.

So far the White House, which is so bent on conducting antidrug operations on foreign soil, has not yet launched an aggressive campaign against the millions of consumers that are on its territory. We say all this because, as most Bolivians, we do not believe that the works being done in airports such as the one in Potosi will be only for national use. If that were the case, the U.S. soldiers would not be working so diligently.

In the future, the work will probably serve to bring in new contingents of U.S. soldiers. This is why many opposition deputies are criticizing the Bolivian Government for reportedly yielding to U.S. pressure and for militarizing the struggle against drug trafficking at the expense of national sovereingty and interests.

Shortages in Basic Goods Increase Rationing

PA0308232090 Mexico City NOTIMEX in Spanish 1048 GMT 3 Aug 90

[Text] Havana, 3 Aug (NOTIMEX)—Shortages in the supply of staples and raw materials, mainly from the Soviet Union, have caused increased rationing among the Cuban people.

The current state of economic scarcity, known as "difficult times" [as received], has increased because of a failure to comply with and delays in the traditional Soviet shipment of staples.

According to official estimates, nearly 50 percent of the Cuban family basket comes from the USSR and the Eastern European nations, with which trade is now practically at a standstill.

Since it took power in 1959, the Cuban regime has established the use of a "rationing booklet" for controlling individual and family consumption.

The reduction in the economic exchange with European nations changed the "rules of the game" in Cuba when the shortages increased. In theory, for example, each Cuban has a right to obtain, through the "rationing booklet," five pounds of rice per month for 1.20 Cuban pesos.

On a daily basis this supply is not enough and the consumers are usually forced to go to the black market where the same rice is sold for 1.60 Cuban pesos. The official exchange rate of the Cuban peso against the dollar is slightly over one peso per dollar, but in the "underground" economy, the dollar reaches up to seven pesos.

Large numbers of Cubans resort to what is called "freelancing" to "meet" family needs. The Cubans also turn to the "black market" or resell articles which they can obtain through the "rationing booklet". Because of these circumstances, the black market also promotes an increase in the prices of products not included in the "rationing booklet."

According to Soviet information sources, the Soviet Union supplies Cuba with 100 percent of the required petroleum, but oil is one of the products which recently has had the greatest delay in delivery. The state workers, who benefit the most from the petroleum supply, generally feel now that the shortage will continue through next month. The state employees have access to petroleum and gasoline monthly through a number of "coupons" which are exchanged for this fuel.

Despite the difficulties, the Cubans do not go without their traditional plate of rice and beans and no beggars are seen on the city streets.

Escalona Explains Cuban Single Party Experience

FL0308191090 Havana Tele Rebelde Network in Spanish 1700 GMT 3 Aug 90

[Text] Juan Escalona, president of the Cuban National Assembly of the People's Government, has met with Peruvian Congressional President Maximo San Roman. The meeting is part of the agenda of the Cuban delegation that attended Peruvian President Alberto Fujimori's inauguration. The meeting between the Cuban and Peruvian representatives took place at the Ambassadors Room of the Peruvian Congress.

The Cuban delegation later talked with a group of social investigators interested in the Cuban reality.

[Begin Escalona recording] In Cuba, the single party is not a consequence of Marxism. In Cuba, the single party was born when Jose Marti tried to unite all fighters of the 10-year war in our struggle against Spain. Marti could not find a better formula for uniting the young and old under a single leadership than to create a party. He did not create two or three parties. He created only one party. That Cuban Revolutionary Party united all combatants, the old and the young, under Marti's leadership in the struggle for the independence of Cuba and Puerto Rico. It was a great effort because of the resumption of hostilities against Spain.

We know about the multiparty system; not a bourgeois but a revolutionary multiparty system. At the beginning of the revolution, there were four or five revolutionary organizations in Cuba. I ask: Can we afford not to be united? Can we create another party so that I can speak badly of Pineiro [not further identified], and Pineiro can speak badly of me? Just because the two of us want to be senators? Then I ask: What does the multi-party system defend? We have some experience with the multi-party system from revolutionary times and even before that time. What does it defend? It defends the position of a party. But will this position unite the country when faced by real aggression, such as the one we are up against, or does it create disunity? [end recording].

Raul Castro on Second Day of Las Tunas Visit

FL0308203090 Havana Radio Reloj Network in Spanish 1932 GMT 3 Aug 90

[Text] Army General Raul Castro, second secretary of the Communist Party of Cuba [PCC], today visited in Puerto Padre Municipality, Las Tunas Province, the Eastern Army's study regiment which completed its two first terms with satisfactory results. The Revolutionary Armed Forces [FAR] minister received a detailed explanation from Colonel Norberto Mantecon, chief of the regiment, on the new center's operation which has good study materials for combative situations.

During his tour through the unit, Raul visited classrooms, rifle ranges, the kitchen, a mess hall, bakery, and other installations where the students are trained as sergeants, staff squadron chiefs, and lower-level FAR specialists.

At the Puerto Padre study regiment, the army general learned of the strict teaching program which includes over 16 hours a day of activities.

As part of his second day visiting to Las Tunas, Army General Raul Castro also visited the cadres division of the Eastern Command where he showed interest in the staff's training and the work carried out in the last stage. During the tour, Hernal Ramirez, first secretary of the party in Puerto Padre, gave an complete explanation of the development of the food program in this Las Tunas municipality where the drought is very intense.

The second secretary of the party was accompanied today by Julian Rizo, alternate member of the PCC Politburo, and by the members of the Central Committee Division General Ramon Espinosa Martin, chief of the Eastern Army, and Alfredo Jordan, first secretary of the PCC in Las Tunas. Army General Raul Castro is on an extensive tour of Las Tunas territory where he has been able to see the development and progress that that eastern province is experiencing.

Rodriguez Meets With Venezuelan President

FL0408190190 Havana Radio Reloj Network in Spanish 1835 GMT 4 Aug 90

[Text] Venezuelan President Carlos Andres Perez spoke for almost an hour with Cuban Vice President Carlos Rafael Rodriguez, who attended the Ninth South Commission Meeting in Caracas.

During the meeting, the leaders discussed the results of the recently concluded event. They also exchanged views on the progress of bilateral relations, as well as other topics of bilateral interest, in a cordial and friendly atmosphere.

The Cuban vice president, Carlos Rafael Rodriguez, returned to Havana today after attending the Ninth South Commission Meeting in Caracas. The meeting was presided over by former Tanzanian President Julius Nyerere.

The meeting's final report is called "The Challenge of the South" and it includes important recommendations on how to confront the development of the peoples who comprise the so-called Third World.

Update on Combatants Withdrawn From Angola

FL0408123790 Havana Radio Rebelde Network in Spanish 1222 GMT 4 Aug 90

[From the "Haciendo Radio" program]

[Text] The Ministry of the Revolutionary Armed Forces [MINFAR] has issued a note saying that in accordance with the Bipartisan Agreements signed by Cuba and Angola in New York on 22 December 1988, 35,095 internationalist combatants have been withdrawn from the People's Republic of Angola as of 31 July 1990. The third stage of the plan thus continues to be fulfilled.

Also in accordance with the agreements, the entire withdrawal process has been done under the supervision of the UN Verification Mission in the People's Republic of Angola, says the MINFAR note.

Delegation Headed by Ramon Castro in PRC

FL0208205590 Havana Radio Reloj Network in Spanish 1959 GMT 2 Aug 90

[Text] On its second day of work, the Cuban Institute of Friendship with the Peoples delegation, headed by Ramon Castro, director of the Valles de Picadura Livestock Breeding Farm, was welcomed in the PRC. The group was received by Zhu Liang, chief of the International Liaison Department of the Chinese Communist

Party Central Committee, who talked with Ramon Castro on the advances made in livestock breeding by the two countries.

The Chinese official referred to the favorable conditions in which relations between the two countries are developing. He added that in his visits to Cuba, he was able to see how the Cuban people are building socialism. The delegation headed by Ramon Castro will begin touring the cattle area in north Beijing today and will later go to agricultural areas on the islands of Canton and Hainan.

Japanese Legislators Delegation Arrives in Havana

FL0208185090 Havana Tele Rebelde Network in Spanish 1700 GMT 2 Aug 90

[Text] A delegation of the Japanese Parliament arrived in the country at the invitation of the National Assembly of the People's Government [ANPP]. The Japanese legislators were received at the Jose Marti International Airport last night by ANPP Vice President Zoila Benitez and other ANPP officials.

The Japanese delegation is made up of 10 people and is presided over by Mr. (Kiyochi Osahua), president of the Juridical Affairs Commission of the Japanese House of Representatives. The guests will stay in Cuba until 4 August. Their visit is part of an exchange program between the ANPP and the Japanese Parliament.

Before visiting Cuba, the delegation visited Brazil, Peru, and Mexico. Today the Japanese legislators will visit the ANPP, the Foreign Ministry, and the Culture Ministry. They will be received by high-ranking officials of these institutions.

Further on Activities

FL0308024090 Havana Television Service in Spanish 0000 GMT 3 Aug 90

[Text] The Japanese parliamentary delegation visiting us fulfilled today an extensive program of activities in the capital. An exchange of experiences between Cuban and Japanese deputies took place early in the morning. Zoila Benitez, vice president of the National Assembly of the People's Government, briefed the guests on the way our parliament system works, especially, the methods used to elect popular representatives in the grassroots and deputies.

For his part, Mr. (Kiyochi Osahua), head of the delegation and chairman of the Judicial Affairs of the Japanese house of representatives, explained the electoral process in his country.

Ricardo Cabrisas, president of the Cuba-Japan parliamentary group, was present in this friendly meeting.

Later, the delegation from the Asian country was received by Foreign Minister Isidoro Malmierca and Culture Minister Armando Hart Davalos, who visited Japan recently.

The Japanese deputies also visited places of historic and social interest in the afternoon.

Inter-Caribbean Affairs

Sandiford Statement at End of Caricom Summit

FL0308163090 Bridgetown CANA in English 1606 GMT 3 Aug 90

["Text" of a statement by Barbados Prime Minister Erskine Sandiford at the conclusion of the 11th summit of Caribbean Community (Caricom) leaders in Kingston; date not given]

[Text] Kingston, Jamaica, Aug 3, CANA—The eleventh meeting of the Conference of Heads of Government of the Caribbean Community [Caricom) took place, unfortunately, in the shadow of the tragic events in Trinidad and Tobago. Heads of government, therefore, naturally devoted a great deal of time in our discussions to the situation in Trinidad and Tobago and its implications for the security of the region.

We strongly condemned the attempted overthrow of the constitutionally elected government of the Republic of Trinidad and Tobago, expressed our repugnance at the holding hostage of Prime Minister, A.N.R. Robinson, members of his Cabinet and of Parliament and other persons by a group of fanatic terrorists, and made known our deep regret at the loss of life.

You may be aware that very soon after I learned of the situation in Trinidad and Tobago, I offered the full cooperation and assistance of the Government of Barbados to Prime Minister Robinson's government. To that end, Barbados security forces were placed on alert from Saturday, 28th July. Those forces were subsequently joined by contingents from the Jamaica Defence Force and police forces from OECS [Organization of Eastern Caribbean States] states.

At the formal opening session of the conference, I suggested that the question of security for small states should be placed high on the agenda of our deliberations. Heads, in considering the implications of the incident in Trinidad and Tobago, decided that it was imperative to review current arrangements for security in the Caribbean Community and develop appropriate mechanisms for mutual security assistance.

There were, of course, many other matters that the heads of government discussed and reached agreement on at this summit. Time does not permit me to deal with all of them, but I would like to mention the most important.

Agreements were reached on the implementation of a common external tariff by 1st January, 1991—a major step in consolidating the creation of a single integrated common market.

Important progress was also made on the question of a regional stock exchange. I am encouraged by the advances made by the committee examining the issues to be settled before cross-listing of shares on the stock exchanges of Barbados, Jamaica, and Trinidad and Tobago.

The major hurdle, the Aliens Land Holding Act of Trinidad and Tobago, is being addressed by the government of that country.

In my opening remarks, I called for the creation of a monetary union by 1995. I am pleased to note that this has been included as one of the objectives in the Kingston Declaration.

On the subject of institutional development, heads noted that considerable progress had been made towards intergovernmental agreements for the assembly of Caribbean parliamentarians and the Caribbean Court of Appeal.

Also in the very important area of disaster response, heads have agreed to the principle of establishing a mechanism for responding to disasters. Governments will be studying the draft proposal over the next few months in order to have the new system established before the next hurricane season.

In the international arena, I am pleased to note the progress being made in the resolution of the issues between Guyana and Venezuela, and Belize and Guatemala.

With respect to Haiti, Caricom countries pledged once again their willingness to cooperate with the government and people of Haiti for the holding of free and fair elections.

Going wider afield, heads reaffirmed their call for the maintenance of sanctions against South Africa until irreversible change has occurred towards the complete dismantling of the system of apartheid.

In reviewing the external relations of the community, heads recalled the successful Canada/Caricom summit held in Barbados in March 1990 and reiterated our appreciation for the forgiveness of official debt as announced by Prime Minister Mulroney and looked forward to the implementation of the Canadian Government's commitments on the basis of full consultation.

Heads also viewed with interest the enterprise of the Americas Initiative recently announced by President Bush and agreed to adopt a joint approach in response to the initiative.

It is regretted that Prime Minister Manley was unable to participate in our deliberations. However, the acting prime minister, The Honourable P.J. Patterson, chaired the meeting with great skill and efficiency, thereby allowing the agenda items to be fully ventilated in the allotted time.

Caricom Leaders Issue Kingston Declaration

FL0308190090 Bridgetown CANA in English 1805 GMT 3 Aug 90

[Text] Kingston, Jamaica, Aug 3, CANA—Caribbean Community (Caricom) leaders have reiterated their commitment to establishing a regional parliament—a proposal put forward by the Barbados Government. The reaffirmation is contained in the Kingston Declaration coming out the 11th Caricom Summit here. Following is the text of the Kingston Declaration:

Conscious of the rapid and significant changes of both an economic and non-economic character, taking place in the world, to which the Caricom member states must fashion creative responses,

Determine to accelerate the movement towards a single Caricom market and to reinforce the growing sense of community among the peoples of the region, Realising that the environment, particularly of small island and low-lying states, is very fragile and can be affected by pollution and climatic changes taking place both outside and within the region.

Having regard to the history of the region and the struggles of our people for freedom and self-determination our democracy is not negotiable. [sentence as received]

Declare as follows (democracy and popular participation) :

We resolve, and enjoin our citizens to pursue all of our just economic, social, and political objectives within the framework of our deeply cherished democratic traditions.

We are determined to strengthen the processes by providing every opportunity for the full involvement of all our citizens in the governance of their affairs, in particular the deepening of our integration effort toward the achievement of a truly authentic Caribbean personality.

We reiterate our commitment to establishing an assembly of Caribbean Community parliamentarians with representatives from both government and opposition members of our parliaments. This assembly will be deliberative and consultative and will, we confidently expect, be a powerful influence on the integration movement and on furthering democratic processes in the region.

We are more than ever convinced that the development of the human resources of the region, including indigenous entrepreneurship; and the expansion of the knowledge base, must constitute central elements in regional and national development strategies.

We affirm our intentions to take speedy action to implement the resolution on human resource development adopted at our tenth meeting in Grenada in July 1989.

We are gratified by the progress being made by the University of the West Indies in finalising its development plan for the period 1990-2000. We encourage the university to pursue its effort to mobilise resources for the implementation of the plan.

We look forward to the regional institutions working together to achieve the common aim of expanding access to university education, and to upgrade their teaching, research, and outreach programmes. All institutions of education and training have to gear themselves for an accelerated effort to equip the peoples of the region with the knowledge and skills necessary to function in a highly competitive and technology-driven world. Our governments will make their best efforts to provide more resources for education and training, but ultimately this is a task for our communities as a whole. We invite the private sector and the communities at large to join in the task of mobilising resources for these purposes.

The strengthening of the knowledge base requires a major effort in the field of science and technology aimed at finding new and improved methods for utilising the natural resource of the region, and at adapting and utilising state-of-the-art technologies in the production of goods and services.

We are determined to push research, in particular research and development in a number of new and emerging fields, such as biotechnology, informatics, energy, and material sciences. To that end, existing mechanisms will be strengthened and new ones devised to promote the fullest possible collaboration among the scientists of the region.

Recognising that our economic development should be sensitive to environmental concerns, we affirm our strong commitment to achieving patterns of sustainable development that will permit improvements in standards of living with protection of the ecology. We will cooperate with the international community in the pursuit of these environmental concerns. We pledge our support, in particular, for the Guyana Forestry Project and urge the international community to support its implementation.

The steps we agreed to take by 1993 in our Grand Anse Declaration towards the creation of a single market and economy are important. We are well on the way to achieving those targets. We will, inter alia, implement the revised Common External Tariff (CET), and the rules of origin by January 1, 1991 and the harmonisation of fiscal incentives; will commence cross-listing and trading of securities on the existing stock exchanges on January 1, 1991.

We have all signed the Caricom Industrial Programming Scheme (CIPS) and have all reaffirmed our resolve to remove all remaining barriers to intraregional trade by July 1991.

We are now positioned to go further. Accordingly, we agree to:

(I) Mandate the governors of our central banks to commence a study as soon as possible for consideration by the heads of government to transform our common market into a monetary union;

(II) Institutionalise a twice-yearly meeting of our ministers of finance and senior finance officials;

(III) Request the governors of our central banks to meet on a more frequent and systematic basis and mandate them to work towards the co-ordination of the establishment of a monetary union;

(IV) Mandate the Common Market Council, assisted by the secretary-general, to appoint a commissioner to facilitate and expedite the timely implementation of all the actions in our Grand Anse Declaration and in this declaration;

(V) Respond positively, as a group, to any initiative to increase economic cooperation in the wider region and hemisphere;

(VI) Cooperate fully in the identification, management, and effective exploitation of the resources in our exclusive economic zones. We instruct our relevant ministers to develop the necessary informational, institutional and human resources bases to this end.

We declare our determination to establish before the next hurricane season through an inter-governmental agreement, a Caribbean Disaster Emergency Response Agency for immediate and coordinated emergency relief. We request continued support of the International System for the Pan Caribbean Disaster Prevention and Preparedness Project (PCDPPP) while we put the Caribbean Disaster Emergency Response Agency in place.

We are deeply conscious that the political freedom, economic well-being and social progress desired by our peoples can best be achieved in an environment of peace, stability, and security. We therefore commit ourselves to the establishment of a regional security mechanism, having amongst its function:

—Assisting member states in clearly defined situations which threaten their sovereignty;

—Forming part of a regime of enforcement of all facets of maritime jurisdiction;

—Enhancing our enforcement capability in the war against international narcotics-traffickers.

We recognise the enormity of these commitments but our resolve and the commitment of our people are equal to the task.

Caricom Meeting Concludes, Communique Issued

FL0408010090 Bridgetown CANA in English 2016 GMT 3 Aug 90

[Text] Kingston, Jamaica, August 3, CANA—Caribbean Community heads of government, who have just ended their annual conference here, have scheduled a special summit for Antigua-Barbuda in December, according to their end of meeting communique.

Following is the full text of the communique:

The eleventh meeting of the conference of heads of government of the Caribbean Community was held in Kingston, Jamaica from 31 July 1990 to 2 August 1990.

The heads of delegations in attendance were Hon. Lester Bird, deputy prime minister and minister of foreign affairs; economic development, tourism and energy, Antigua and Barbuda; the Rt. Hon. Sir Lynden O. Pindling, prime minister and minister of finance, the Bahamas;

The Rt. Hon. Erskine Sandiford, prime minister and minister of finance and economic affairs, Barbados; the Rt. Hon. George Price, prime minister and minister of finance, Belize;

Hon. Mary Eugenia Charles, prime minister of finance, Dominica; Hon. Nicholas Brathwaite, prime minister, Grenada; H.E. Hugh Desmond Hoyte, S.C., president, Guyana; Hon. Percival J. Patterson, Q.C., acting prime minister and minister of development, planning and production, Jamaica;

The Rt. Hon. Dr. Kennedy Simmonds, prime minister and minister of foreign affairs, home affairs and finance, St. Kitts and Nevis; the Rt. Hon. John Compton, prime minister, Saint Lucia;

The Rt. Hon. James F. Mitchell, prime minister and minister of foreign affairs and finance, St. Vincent and the Grenadines; Sen. the Hon. Dr. Sahadeo Basedeo, minister of external affairs and international trade, Trinidad and Tobago.

Mr. Roderick G. Rainford, secretary-general of the Caribbean Community, chaired the inaugural session.

Heads of government observed one minute's silence in memory of the late prime minister of Grenada, the Rt. Hon. Herbert Blaize.

The Hon. Percival J. Patterson, Q.C., acting prime minister and minister of development, planning and production, Jamaica delivered the opening address.

Acting Prime Minister Patterson said "while economic development is the foundation of our integration, we must never make the mistake of pursuing our goals without the popular participation of our peoples in the region, history is littered with the debris of instances where narrow self interest prevails because there is no popular understanding of wider issues.

"The involvement of people in the integration process cannot be an after-thought, but must be the focus of what we do. Our development goals must be people-centred. The benefits of economic production must be for the majority of the population."

Speeches were also delivered by the Rt. Hon. L. Erskine Sandiford, prime minister and minister of finance and economic affairs of Barbados; the Rt. Hon. George Price, prime minister of Belize; and the Hon. Nicholas Brathwaite, prime minister of Grenada.

The conference, by acclamation, elected the Rt. Hon. Michael Manley, prime minister of Jamaica as its chairman-in-office; and in his absence, elected Hon. P. J. Patterson as chairman of its eleventh meeting.

The meeting carried out its work through a plenary and a caucus of heads of government.

The meeting was preceded, on 24-26 July 1990 by a preparatory meeting of ministers; on 27-28 July 1990, by a special meeting of the Common Market Council; and on 30 July 1990 by the fourteenth meeting of the Standing Committee of Ministers Responsible for Finance.

These meetings submitted a number of recommendations to conference. The conference also considered recommendations from the sixteenth meeting of the Standing Committee of Ministers Responsible for Foreign Affairs; the eighth meeting of the Standing Committee of Ministers Responsible for Education;

The fourteenth meeting of the Standing Committee of Ministers Responsible for Transportation; and the Sub-Committee of Attorneys-General of member states assigned responsibility by the Standing Committee of Ministers Responsible for Legal Affairs to make recommendations on matters relating to the establishment and functioning of the proposed Caribbean Court of Appeal.

Heads of government welcomed the growing cooperation between Mexico and Caricom as evidenced by the visit to Jamaica of the president of Mexico, His Excellency Carlos Salinas de Gortari, which coincided with the meeting of conference. They received messages from the governments of Brazil, Cuba, Suriname and Venezuela.

The heads of government recognised that the eleventh meeting of the conference was convened against the background of a radically changing international environment. They reviewed developments on the international scene, in particular the globalisation of the world economy, the emergence of powerful trading blocks, the growing impact of newly industrialised countries (NICS) on the international economy and the rise of new poles of economic and financial power.

They considered the progress made so far in the fulfillment of the goals set forth in the Treaty of Chaguaramas, and the annex thereto, and reaffirmed their commitment to strengthening the process of regional integration as the best means of responding effectively to challenges as well as the opportunities of the present international situation. In this context, they reviewed the progress made in achieving the goals set out in the Grand Anse Declaration and work programme.

Heads of government strongly condemned the attempted overthrow of the constitutionally elected Government of Trinidad and Tobago. They expressed their repugnance at the holding hostage of Prime Minister A.N.R. Robinson, members of his Cabinet, parliamentarians and other persons; regret at the deaths which occurred during the crises; and their profound relief at its resolution. They recognised that events such as this highlighted the vulnerability of small states to threats from terrorism.

They agreed on the necessity of review existing arrangements in support of regional security and decided to establish a committee of member states to look into the matter and report before the twelfth meeting of conference.

Heads of government received a report on the review of programmes and existing institutions of the community and agreed on arrangements for a full consideration of the recommendations at both the technical and political levels.

Heads of government considered a report from the vice chancellor of the University of the Western Indies on the steps being taken by the university to implement the resolution of human resource development adopted at the tenth meeting of the conference of heads of government. They were pleased to learn that the university development plan for the period 1990-2000, which projects a 50 percent increase in enrollment especially in the areas of science, technology, management and education, was at a very advanced state. In this new plan, the university was placing emphasis on bringing the non-campus territories into the mainstream of university development.

The heads of government reviewed the progress made in the implementation of the decisions to develop the institutional mechanisms in the region.

They noted with satisfaction that the Caribbean Telecommunications Union (CTU) had been established on 17 July 1990 with its headquarters in Trinidad and Tobago as a permanent body to oversee the regional telecommunications sector.

They recognised the importance of telecommunications infrastructure in strengthening the process of integration and were confident that the CTU would fulfil the objectives of rationalizing regional telecommunications policy, establishing and harmonising regional technical standards and solving intra-regional telecommunications problems.

Heads of government noted the progress made in the implementation of the decisions taken by the tenth meeting with regard to the establishment of a Caribbean court of appeal and the Assembly of Caribbean Parliamentarians.

They agreed that the draft inter-governmental agreements would be further considered at the next meeting of the Standing Committee of Ministers Responsible for Legal Affairs.

Heads of government noted the progress made on the proposal to confer the order of the Caribbean Community on outstanding Caricom nationals. They urged member states which had not yet done so to expedite their consideration of the draft inter-governmental agreement in order that the first awards could be made at their twelfth meeting.

Heads of government noted that an inter-governmental agreement establishing a Caricom mechanism for emergency response disaster relief has been drafted. They endorsed in principle the proposed structure of the agency as set out in the draft agreement. They agreed that member states would give further consideration to the draft and would convey their views to the Caricom Secretariat by 30 September 1990 after which further action would be taken to establish the agency and make it operational.

They also agreed that the necessary steps should be taken to extend the duration of the Pan Caribbean Disaster Preparedness and Prevention Project (PCDPPP) for another year pending the establishment of the agency.

Heads of government noted reports on ongoing plans and programmes to commemorate the 500th anniversary of the encounter between two worlds and agreed to highlight major regional events leading up to 1992 as instances of regional cooperation and integration. In that regard, particular attention was paid to the regional economic conference, the activities of the independent West Indian Commission, Carifesta V and the 1992 regional trade fair. Heads of government noted, in particular, the comprehensive programme which was already underway in Trinidad and Tobago involving both national and regional events pertaining to the encounter. They reiterated that the events should promote the recognition of the creative genius of Caribbean people and enhances awareness of the common history, identity and destiny of the region.

The heads of government reviewed the preparations being made for the regional economic conference in Trinidad and Tobago on November 12-14, 1990. They emphasised that the conference would be broad-based and would seek to arrive at a consensus on the directions and policies which the region should adopt as the twenty-first century approaches.

The heads of government received a report from Sir Shridath Ramphal, chairman of the West Indian Commission, on the work of the commission since its formal launching in November 1989.

They were pleased to learn of the high level of public interest shown during the first stage of its hearings. They agreed that the commission's mandate created an opportunity for involvement of the peoples in shaping the future of the regional movement.

They thanked the government of Barbados for providing the commission's headquarters.

Heads of government received a report on the ongoing preparations for the staging of Carifesta V in Trinidad and Tobago in 1991. They were convinced that such a major, multi-faceted festival would serve to affirm the identity, artistic achievements and rich and varied culture of the region. They observed that Carifesta V could be the focus of world attention and urged all concerned to ensure that the staging of the festival would heighten global knowledge, understanding and recognition of the accomplishments and uniqueness of the Caribbean.

Heads of government noted the information concerning preparations for the regional trade fair scheduled to be held in Trinidad and Tobago in 1992 and agreed to the establishment of a project steering committee. Heads also noted that the regional trade fair is intended to promote recognition of the region as a reliable source of quality products and to facilitate the development and expansion of intra-regional and extra-regional trade.

The heads of government reviewed the progress made to date in the implementation of the Grand Anse Declaration and work programme—which embodies the steps agreed on by heads last year at their tenth meeting in Grenada, calculated to bring about a single Caricom market by 1993.

The heads, in their determination to adhere to their timetable, agreed on a number of major outstanding instruments in that programme, such as the common external tariff, the rule of origin, the first stage in the establishment of a regional stock exchange; and decided to accelerate the implementation process by agreeing to create a new regional position of Caricom commissioner.

The Caricom commissioner is to work closely with the individual member states and the Caricom secretariat in ensuring the effective and urgent implementation of all the measures agreed on within the timetable set. The Caricom commissioner is to be chosen from among Caricom nationals with extensive knowledge in Caricom affairs and wide experience of other integration arrangements. The Caricom commissioner is expected to commence functioning by October 1 1990.

Heads of government noted with satisfaction that agreement had been reached on the outstanding elements of the common external tariff and origin rules regimes and that there was a commitment by all member states to have the legislative and other measures completed in sufficient time to meet the January 1, 1991 date for bringing the amended customs tariff and origin rules arrangements into operation.

In light of the importance attached to the establishment of a single Caricom market, the heads affirmed the need for an eventually fully unified Caricom external tariff to enable the establishment and effective functioning of the single market by the agreed deadline of January 1, 1994. The heads of government announced that from January 1, 1991 the three existing stock exchanges in the region would begin the process of cross-listing and cross-trading of securities.

They expressed satisfaction at the steps taken by these member states towards the removal of obstacles to the free movement of intra-regional capital and looked forward to the extension of the arrangements to include other member states.

Heads of government endorsed "programme affirm"—arrangements for freer intra-regional movement—which was developed in accordance with the decisions taken at Grand Anse. This programme is designed to facilitate freer intra-regional movement of Caricom peoples for purposes of travel and work. The programme provides, among other things, for Caricom nationals travelling in the region to be given the option of presenting satisfactory forms of identification other than passports.

It also calls for the waiver of work permit requirements for professional and skilled Caricom nationals working in the areas of the visual and performing arts, sports and the media to participate in regional events.

Heads of government recognised that the transportation sector continues to be vital to the successful outcome of regional integration efforts. They agreed that heads of government, particularly those directly concerned, would meet within three months to finalise the consideration of the issues relating to the rationalisation of the regional airlines of the Eastern Caribbean countries of the community.

Heads of government re-affirmed the position they adopted at their informal session in Barbados in March 1990 when they agreed on the need to adopt a dynamic approach to the question of the widening of the community. They noted that such an approach had its basis in the original intentions of the founding fathers of Caricom who had foreseen an expansion of the regional integration movement to encompass, eventually, all Caribbean peoples.

A new dynamism was also required by the changing international relations situation. Heads of government called on the West Indian Commission to pay particular attention to this question in its consultation and deliberations. They considered a number of applications for membership and observer status in the community.

They expressed the community's willingness to grant associate membership to the British Virgin Islands and the Turks and Caicos islands, subject to the necessary entrustment being accorded to the elected governmental authorities of the two territories by the United Kingdom Government. The heads of government authorised the secretary-general of Caricom to enter into discussions with the government of the United Kingdom on the matter.

With regard to the application by the Dominican Republic for full membership for the community, they requested the West Indian Commission to consider as part of its overall consideration of the widening of Caricom.

Heads of government agreed to grant Mexico, Puerto Rico and Venezuela observer status in the conference of ministers of health (CMH) and the Standing Committees of Ministers Responsible for Agriculture, Education and Science and Technology to the establishment of a Caricom/Venezuela joint commission; and to the strengthening of the Caricom/Mexico joint commission.

Heads also agreed to grant Puerto Rico observer status in the Conference of Ministers of Health, the Ministerial Conference on the Environment, and the Standing Committee of Ministers Responsible for Agriculture and Education.

Heads of government reviewed the recent economic trends in the regional against the backdrop of the major developments in the international economy, the continued efforts of member states to implement appropriate macro-economic policies and the cumulative impact of two major recent hurricanes—Gilbert and Hugo.

They observed that the pace of economic activity in the region had slackened during 1989. Nevertheless, most countries continued to experience modest growth in real income though the performance of some of the larger countries continued to be below potential.

Heads expressed satisfaction at the continued recovery in the flow of intra-regional trade and reaffirmed their commitment to the removal of the remaining impediments to the free flow of trade in the region.

In examining the international economic situation, the heads of government took particular note of the developments with respect to the Uruguay round of multilateral trade negotiations, progress towards the creation of a single European market, the announcement of the "Enterprise of the Americas" regime by President Bush, and the existing external debt problem.

In their review of the state of negotiations on the Uruguay round of multilateral trade negotiations, the heads of government reiterated that the agreed principles of transparency and differential and more favourable treatment for developing countries are indispensable to an equitable outcome to the negotiations that would guarantee the much more efficient functioning of the international trading system.

In their examination of the single market in Europe, the heads of government took particular note of the possible implications of these developments for the future of the region. They urged regional producers and investors to take steps to improve the competitiveness of their products and increase their investment in order to take full advantage of possible opportunities presented by the larger, though more competitive, markets.

They also agreed that certain aspects of the European integration process be studied to determine their relevance to the strengthening of the institutional machinery necessary for Caribbean integration. The heads of government also agreed to establish supporting machinery in Europe to monitor, promote and pursue Caribbean interests in Europe.

Heads of government also examined the various initiatives being taken to address the problem of external indebtedness. They observed that an early solution to the debt problem was critical not only for the future growth and stability of countries which were crippled by the debt burden but also for the restoration of confidence and dynamism in the international financial system. They noted that it was necessary for a comprehensive strategy to be adopted to address the various categories of debt.

In this context they welcomed the recommendations contained in the Latin American and Caribbean proposals on debt adopted by the Latin American and Caribbean finance ministers at their meeting at the headquarters of the Latin American Economic System (SELA) in June 1990; and the initiatives being taken in the Commonwealth and the group of 15 Non-Aligned countries.

Heads of government noted that the inaugural meeting of the summit level group for South-South cooperation, of which Jamaica is a member, took place in Kuala Lumpur, Malaysia, and that in its deliberations it, inter-alia, expressed strong support for greater South-South cooperation and the need for a new approach to the North-South dialogue.

The heads of government welcomed the initiative launched in Tobago in August 1989 by the president of Venezuela and five Caricom heads of government, and the follow-up meetings of officials held in Caracas in January and June 1990. They endorsed the action taken so far in pursuit of the initiative.

The heads of government noted the ongoing positive relations with Mexico as evidenced by the technical cooperation agreement on professional upgrading signed on 18 May 1990 as well as the technical cooperation and trade promotion agreement signed on 31 July 1990.

Heads of government reviewed the results of the Commonwealth Caribbean/Canada summit held in Barbados in March 1990, and expressed appreciation for the forgiveness of the official debt of Caricom state.

They looked forward to the implementation of Prime Minister Mulroney's commitments on the issues of trade and investment on the basis of full and continuing consultation and cooperation.

Heads of government reviewed the developments related to the CBI [Caribbean Basin Initiative] and more particularly, the CBI II legislation and while welcoming the progress through the legislative process, expressed disappointment at the systematic removal of new and innovative provisions from the legislation.

They, however, viewed with interest the "Enterprise of the Americas" initiative announced by President Bush on 27 June 1990. Heads of government urged that any follow-up to the initiative be based on thorough consultation at all levels and at all stages and affirmed that, Caricom member states will adopt a joint approach in response to the initiative.

Relations With the European Economic Community

The heads of government took note of the fact that since their last meeting the Lome IV Convention, which has a life-span of ten years, had been signed. They welcomed the improvements in the new convention in the quality of aid, the increased access for agricultural exports, and the introduction of special arrangements to assist ACP [African Caribbean, and Pacific] states in the process of structural adjustment.

The heads underscored the economic, social and political importance of a viable banana industry to the Caribbean and reaffirmed their determination to work with the European Community in formulating common rules and arrangements for bananas, within a single European market, which were consistent with the assurances given and commitments entered into in protocol V of Lome IV and the joint declaration the said protocol.

The heads reiterated the view that the joint Caribbean proposal formed an appropriate basis along which rules could be formulated and called upon the European Community to enter into meaningful consultations on the subject, at an early date, while committing themselves to participate actively in the consultative process. They considered the matter of such significance that a separate statement is issued and attached.

The heads noted the accession by the Dominican Republic and Haiti to the Lome IV Convention. The recognised the need for early ratification of the new convention by all Caribbean-ACP countries with a view to taking full advantage of its provisions as early as possible.

Regional and International Political Issues

Guyana/Venezuela

The heads of government examined recent developments in the relations between the Cooperative Republic of Guyana and the Republic of Venezuela and recorded their satisfaction with the fact that the bases of cooperation have been strengthened by the continuation of mutually beneficial functional cooperation in a number of relevant areas. With regard to the controversy, they noted that the process initiated with the appointment of Mr. Alister Mc Intyre as the personal representative of the secretary-general of the United Nations to perform the functions of "good officer" has been further reinforced as a result of meetings and exchanges of views between him and officials of both governments.

The heads welcomed these developments and agreed that they indicated a continuation of the cordial and expanding relations between Guyana and Venezuela.

Belize/Guatemala

Heads of government welcomed the report of the government of Belize of progress made in the negotiations between Belize and Guatemala towards identifying the elements to be included in a comprehensive treaty to provide a just and honourable solution to the problems between the two countries. The heads of government called on the governments of Belize and Guatemala to continue the negotiations in good faith and expressed the hope that all commitments undertaken would be enshrined in the treaty and would be faithfully implemented.

They urged the government of the United Kingdom and other friendly governments to support efforts by Belize and Guatemala to develop programmes of mutual benefit to the two countries.

The heads reaffirmed their resolve to maintain regional and international support for Belize's independence and territorial integrity, and agreed to render appropriate assistance to the Government of Belize in efforts to conclude the treaty with Guatemala. They declared that an early and acceptable conclusion of the problem between Belize and Guatemala would encourage the strengthening and expansion of relations between the Caribbean Community and the countries of Central America.

Haiti

Heads of government reviewed developments in Haiti since their informal session held in Barbados in March 1990. These developments included the second Caricom ministerial mission, and the visit by the Caricom working group of senior electoral officials, to Haiti.

Heads expressed the Caribbean Community's continuing support for the efforts and aspirations of the Haitian people. They pledged once again Caricom's preparedness to cooperate with the government and people of Haiti—as well as with the United Nations and the Organisation of American States—in providing assistance for the holding of free and fair elections. They also reiterated their commitment to help mobilise greater international material support for the social and economic well-being of the Haitian people.

Heads of government took note of a number of developments which could have a negative effect on either the timing or the validity of the electoral process. They expressed the hope that forces inside and outside Haiti would do everything possible to help, and nothing to hinder, Haiti's transition to electoral democracy.

They expressed appreciation to the government of the Bahamas for that government's assistance in furthering Caricom-Haiti relations.

Central America

Heads of government noted the recent developments in Central America and expressed the hope that the peaceful conditions would become a permanent feature of the entire sub-region. They hoped that these conditions would facilitate the early return of refugees and displaced persons to their countries of origin as well as the reconstruction of the economies of the sub-region.

Invasion of Kuwait

Heads of government denounced the invasion of Kuwait by the Armed Forces of Iraq and called for their immediate and unconditional withdrawal. A separate statement on this matter has been issued by heads of government.

South Africa

The heads noted that a considerable evolution had taken place in Southern Africa since their last meeting. In this context, they noted the accession of Namibia to independence, the removal of the ban of the African National Congress (ANC), and the release from prison of Nelson Mandela and other political prisoners. They considered that such actions taken in response to internal and external pressures had created what appears to be a real prospect for a constructive dialogue between the De Klerk regime and the ANC. They expressed concern at the number of apartheid laws and regulations still in existence.

They also expressed grave concern at the continuing violence taking place and condemned, in particular, the violence unleashed by hard-line white supremacists. They called for the maintenance of sanctions against South Africa until such time as clear and irreversible changes had taken place towards the complete dismantling of the apartheid system.

With regard to the wider Southern African region, the heads of government welcomed the efforts being made to negotiate a settlement to the conflicts in Angola and Mozambique.

The heads took note of the radical changes which had taken place recently in Eastern Europe. They considered that these had ushered in a new era, had facilitated the end of the cold war; had redefined the role of NATO and the Warsaw Pact and made Eastern Europe a most dynamic factor in the European political equation.

They expressed continuing concern about the possibility that the interests and needs of Caricom states would be placed in a position of disadvantage, as the states of Eastern Europe sought a greater integration into the global economy, including membership of the international financial institutions and the acquisition of financial and technology resources.

Drugs

Heads of government welcomed the increased commitment of the international community to cooperation and collaboration in the effort to combat the production, traffic and abuse of illicit narcotic drugs and psychotropic substances. They further expressed special satisfaction at the growing international recognition of the importance of demand reduction in efforts to control both production and abuse.

Heads of government discussed the importance of developing mechanisms to protect the regional international banking and financial systems from subversion by the international drug traffickers. They committed their governments to supporting strategies being developed in this important area. They also took note of the active participation of a number of Caricom states in the Aruba Drug Money Laundering Conference in June 1990.

Heads of government considered developments in respect of the establishment of the international criminal court and committed to maintaining efforts in this regard.

The Environment

Heads of government reiterated their commitment to the proper management, protection and utilisation of the environment in support of development. They agreed that international environmental efforts should recognise the sovereignty of states and the responsibility of all peoples and governments to preserve the common ecological heritage of mankind. They welcomed the commitment of the participants in the recent economic summit in Houston to respect the sovereign rights of states in support of the efforts to preserve and protect the global environment.

Heads of government pledged Caricom's full participation in the forthcoming United Nations conference on the environment and development in Brasilia in 1992, and in the second world climate conference in Geneva later this year. They agreed that all Caricom states should be parties to the convention for the protection and development of the marine environment of the wider Caribbean, and the protocol concerning cooperation in combatting oil spills in the wider Caribbean. They supported the environmental action plan for Latin America and the Caribbean.

They urged organisations such as the Commonwealth secretarial and UNEP to continue and increase their support to small states such as those in Caricom to facilitate their full and effective participation in the 1992 conference and the follow-up thereto.

They noted that the second Caricom ministerial conference on the environment to be held in Jamaica in September 1990 would review progress made since the first conference; that the preparatory meeting of Caribbean and Latin American environment ministers would take place in Trinidad and Tobago in October 1990; and that the development and strengthening of the Caribbean Environmental Health Institute continues. They recorded their satisfaction with the endorsement of the Guyana forestry project which they considered to be a practical example of linking the preservation of the environment with the need for sustainable development.

They complemented the Commonwealth Secretariat on initiating the project and urged the Commonwealth Secretariat and the international community to provide the required support for the early and effective implementation of the project.

Date and Venue of the Next Meeting.

Heads of government recalled their acceptance of the offer by the government of St. Kitts and Nevis to host the twelfth regular meeting of the conference of heads of government and agreed that that meeting would take place in July 1991.

They also agreed to hold a special meeting in Antigua and Barbuda in December, 1990.

Caricom Sends Peace-Keeping Force to Trinidad

FL0308135590 Hilversum International Service in English 1030 GMT 3 Aug 90

[Text] A peace-keeping force of about 350 troops from the regional peace corp of the Caribbean Community, Caricom, is being flown today to Trinidad and Tobago. The peace force will be entrusted with petrol so that the tiny Army of Trinidad and Tobago can engage in handling the attempted coup d'etat of recent days. In the capital Port of Spain, meanwhile, it's been announced that the Moslem rebels who held the prime minister and several cabinet ministers hostage for five days are to stand trial. The Government of Trinidad and Tobago has also announced that the instigator of the revolt, the Moslem leader Abu Bakr, has connections with Libya.

Antigua and Barbuda

Vere Bird Jr. Tries To Block Overseas Probe

FL0408015090 Bridgetown CANA in English 2158 GMT 3 Aug 90

[Text] [passage indistinct] Aug 3, CANA—High Court Judge Justice Horace Mitchell has reserved until August 10 his judgement on an application by lawyers for former Public Works Minister Vere Bird Jr. who is seeking to block an overseas probe by the commission of enquiry into the illegal shipment of Israel arms through here last year.

British jurist Louis Blom Cooper, who is heading a one-probe into the affair, had announced last Friday that he will have to go to Israel and Europe to interview key witnesses involved in the matter. But Bird's lawyers are contending that all sittings under the Commission of Inquries Act must be held in Antigua. Friday's closed-door session at Justice Mitchell's chambers lasted just over five hours as both sides presented legal arguments on the case.

Bird's battery of lawyers included Antiguan Queen's Counsel Bernice Lake, Guyanese Dr. Fenton Ramsahoye, Q.C. and Barbadian Dr. Richard Cheltenham.

Appearing on behalf of the attorney general's office were Guyanese Lloyd Luckhoo, Q.C. and Senior Crown Counsel Lorick Osbourne.

Israeli-made arms and ammunition shipped to Antigua in April, 1989 were found on the ranch of slain Colombian narco-trafficker Rodriguez Gacha. The Antiguan Government has denied it ordered the arms but Israeli documents have implicated Bird Jr., who has denied any guilt.

The inquiry conducted two weeks of sittings here last month, looking at the domestic matters relating to the handling of the container of arms and ammunition, but was adjourned ahead of the country's annual carnival celebration which ends on August 7.

Blom Cooper is planning to visit Israel on August 13 and then Europe August 20, but the trip will hinge on Mr. Justice Mitchell's decision.

Bahamas

Government Joins Condemnation of Iraqi Invasion

FL0308214590 Bridgetown CANA in English 2045 GMT 3 Aug 90

[Text] [passage indistinct]—The Bahamas has joined the international community in condemning the invasion of Kuwait by Iraq, which has caused significant loss of life.

The Bahamas Government issued a statement saying that it supported the United Nations Security Council call for the Iraqi troops to be withdrawn from the sovereign territory of Kuwait.

The Bahamas further urged both governments to resume dialogue for an end to the fighting and for renewed efforts to arrive at a negotiated settlement of the disputes between them which will safeguard the stability of each country and peace in the region.

Barbados

Nation Prepared for Terrorist, Hostage Crisis

FL0308170490 Bridgetown CANA in English 1629 GMT 3 Aug 90

[Text] Kingston, Jamaica, Aug 3, CANA—Barbados' security forces are prepared to deal with any hostage crisis by terrorists or others, as happened in Trinidad and Tobago, the NATION newspaper on Friday quoted Prime Minister Erskine Sandiford as saying.

Sandiford, who was in Jamaica for the just-ended 11th Caribbean Community summit said joint military exercises, designed to combat such crises, have been conducted for more than a year now. Without going into detail, Sandiford said very important steps were taken, which included the boosting of manpower, equipment, and vital training. In relation to the capacity of the protective services in Barbados to respond to escalating crimes and youth violence in Barbados, Sandiford said the police force was being strengthened to effectively deal with the problem.

Muslim rebels in Trinidad and Tobago last weekend held Prime Minister A.N.R. Robinson and other government ministers hostage in a failed attempt to oust the government. The bloody crisis, in which at least 30 people were killed, ended Wednesday with the surrender of the Muslim group and the release of all hostages.

Haiti

Constitutional Committee Protests Manigat Ban

FL0308200090 Port-au-Prince Radio Haiti-Inter in Creole 2000 GMT 2 Aug 90

[Text] In connection with reactions regarding the Manigat affair, we are going to listen to the position of the Unity Committee for the Respect of the Constitution, presented to us by Dr. Patrick Elie.

[Begin Elie recording] 1 August 1990. The Unity Committee for the Respect of the Constitution reminds everyone of its forceful protest after 29 November 1987 and 17 January 1988 to denounce the way Leslie Manigat came to power, standing in the blood of the Haitian people and on top of the intestines of the Constitution.

Today, the Unity Committee notes with anger the way Mrs. Trouillot's government is continuing to gut the Constitution, by preventing citizen Leslie Manigat from entering the country.

Today, the Unity Committee is wondering what kind of plot against the Haitian people the Trouillot government is involved in—by refusing to arrest Lafontant, and refusing to even mention Regala, as if there were one justice for civilians and another, different, justice for members of the Armed Forces; and by refusing to allow Manigat to enter the country—because those men must not be made to talk about the plots of 29 November and 17 January.

Should they not be questioned about the other plots that are once again being prepared against the Haitian people and the Constitution?

In the name of the Constitution, the Unity Committee asks the government to allow Manigat to enter Haiti right away, as per the Constitution.

In the name of justice, the Unity Committee asks that Manigat and all his accomplices be arrested, should they once again be involved in plotting against the Haitian people. It also asks for the judiciary to question Manigat and Regala thoroughly regarding the 29 November massacre and the crooked election of 17 January.

In the name of democracy, the Unity Committee asks the State Council to call in the minister of interior to explain to the Council why he is toying with the Constitution and the nation's security like that, in connection with the Regala, Lafontant, and Manigat dossiers.

Should the minister of interior and all other members of the government in charge of those dossiers prove to have been guilty, or incompetent, the State Council must properly fire them, as per the 4 March protocol agreement.

This text is signed, for the Unity Committee, by Dr.Patrick Elie. [end recording]

More on Committee Statement

FL0308203190 Port-au-Prince Radio Metropole in French 1600 GMT 2 Aug 90

[Excerpts] The Unity Committee for the Respect of the Constitution states its current position, which it says calls as much for reflection as it does for commitment. The Committee says that what is at stake remains unchanged: the setting in place of a government of law, controlled by the nation's citizens and guaranteeing to each and every one of them the basic rights, within the framework of a Constitution respected by the authorities.

The Committee calls on all Haiti's citizens to defend the acquisitions made since the fall of the Duvaliers; and on the forces of change to mobilize. Here is an excerpt of this statement on the juncture by the Unity Committee. [passage omitted]

In March 1990, stresses the Unity Committee, the Haitian people did not merely chase a dictator out of the government. They also meant to set in place a formula of government that would have permitted them to at last get out from under Duvalierism. In point of fact, however, the Duvalierists or their allies have been succeeding one another in power; and after the Provisional National Government Council, Manigat, Namphy II, and Avril, we have now reached, with Mrs. Trouillot, the fifth version of the so-called historic compromise that, through force or through trickery, with the direct or indirect help of the military, the partisans of the fallen regime wish to impose on the Haitian people. The basic problem thus remains: This Gordian knot, a knot that, in Haiti, constitues the master-slave relationship, must be cut to facilitate the emergence of a more just and humane society. [passage omitted]

It is the civic and patriotic duty of each and every one of us to foil any and all plans aimed at snatching away from the Haitian people the gains made in this domain since the fall of the Duvaliers. Regarding the forces on the scene, the Unity Committee points out that two groups, one in favor of and the other opposed to change, are facing one another on the political chessboard. [passage omitted] No agreement is possible between these two groups. [passage omitted]

Certain people are currently pushing the military to again try to effect a coup d'etat, the unfortunate consequences of which would be suffering for the Armed Forces and the entire nation. [passage omitted]

There exists a fetishism about elections that will lead us to either another 29 November or another 17 January. One cannot make an end in itself out of the means to achieve a democratic society. The nation's future will be mortgaged if the Provisional Electoral Council decides to hold elections under the current conditions of insecurity. [passage omitted]

Concerning President Trouillot, the Unity Committee feels that, as head of the executive, Mrs. Trouillot bears moral and political responsibility for the dilution of the government's authority and for the even more marked (?deterioration) of the public institutions. She has failed to keep her word, and has respected neither the attributions of the Council of State nor even her own signature. Her ineffective government has brought not even the beginning of a response to the social and political demands of the population regarding justice, security, the struggle against the high cost of living, administrative reform, and reforms in the Army and Police. Provisional president Trouillot has lost the trust of the population. With her at the head of the country, it is assured that free, honest, democratic elections will never be able to take place. [passage omitted)

The Committee also asks the governments of the United States, France, Canada, Switzerland, and the Dominican Republic to stand at the side of the Haitian people and monitor in their territories, (?as) their respective laws empower them to do, the banking transactions, (?monies), and movements of the figures who according to concordant indications are the instigators of the political terrorism in Haiti. [passage omitted)

Address to the Forces of Change: At this juncture, the Unity Committee feels it is up to us to do what is necessary to permit us to build our personal futures and the future of the nation. We are not asking anyone to, in our place, build what it is up to us to build; from no one are we willing to accept treatment as anything other than equals. [passage omitted]

The Unity Committee also calls on all the forces of change throughout the country to mobilize in order to realize—by firing Mrs. Trouillot and arresting and bringing to trial Messrs. Roger Lafontant and Williams Regala, as well as the other sponsors of insecurity—elections with very broad popular participation, from which will stem the mandate indispensable for all those in-depth reforms that the population of Haiti is asking for with all its force and for which it has shed its blood—concludes this analysis of the political juncture by the Unity Committee for the Respect of the Constitution of 1987.

Measure Protested; Reversal Deadline Given

FL0308195890 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 3 Aug 90

[Excerpts] There is continued strong protest against the government measure forbidding Leslie Manigat to return to Haiti. Yesterday, partisans of the Assembly of Progressive National Democrats [RDNP] began demonstrating early in the morning in Petit Goave to protest the interdiction to enter Haiti for reasons of state issued against former President Manigat. Military personnel in civilian clothing showed up and dispersed the demonstrators and arrested one person among the RDNP partisans, who are threatening to block Petit Goave if the government does not rescind its decision—according to statements by an RDNP delegation from Petit Goave following the demonstration.

[Begin recording] [First unidentified demonstrator] Well, it was a demonstration we began for the professor, for his return, in Petit Goave, during which they arrested one of our partisans, Frenel Desgranges. [passage omitted] If they do not release him quickly, we will block Petit Goave. Everything will deteriorate totally in Petit Goave! Also, if Mrs. Trouillot does not take back her decision, things will deteriorate totally in Petit Goave. We will block everything totally in Petit Goave. We will block the national highway completely, and nobody will get through!

[Reporter] Was the demonstration disorderly?

[Second unidentified demonstrator] Not at all. We had just erected many barricades across the road. We were just mobilizing to block the road so no one could get through, so that Professor Manigat will be allowed back into the country.

Since it is this same support of ours that allowed Mrs. Ertha Pascal Trouillot to come to power...[changes thought] because when we took to the streets on 5 March to chase out Prosper Avril, well, back then we weren't doing it for Mrs. Trouillot. We were doing it so that President [Leslie] Francois Manigat could return to Haiti. So, we are asking Mrs. Trouillot...[changes thought] if she doesn't take back her decision, if Fresnel Desgranges is not released, we will mobilize. Even if it costs us our lives, even if they kill us, we will mobilize, and things will deteriorate in Petit Goave.

As of this afternoon, if anyone needs to go to Les Cayes, they will have to go by plane, but you will not get through Petit Goave, because we are going to block the road totally. [end recording]

The Coordinating Body for 17 Neighborhood Committees in Port-au-Prince, K-17, says they condemn this dictatorial act, which is a serious violation of inalienable rights. Mrs. Ertha Pascal Trouillot, has herself written important law books, has violated Article 41 of the Constitution of 1987, which clearly states that Haitians are not obliged to have a visa authorizing them to enter or leave their country.

K-17 condemns the unconstitutional decision made by Ertha Pascal Trouillot to forbid Leslie Manigat from entering Haiti. K-17 thinks this is a disgrace to all citizens fighting for the rule of law. For this reason, K-17 asks all democrats throughout Haiti to rise up in protest [leve kanpe] against the government of Ertha Pascal Trouillot, which is a government that is employing a bunch of macoute political formulas.

K-17 is giving Ertha's government until Monday [6 Aug]. If it does not rescind its communique, they will begin a large uprooting operation [operasyon rache manyok].

Paper Publishes Newly-Released Electoral Calendar

FL0308191590 Port-au-Prince LE NOUVELLISTE in French No 33.862, 1 Aug 90, pp 1, 2

[Special report: "The Electoral Calendar Has Been Released"]

[Text] Promulgation of the electoral law: 10 Jul 90.

Electoral calendar: 30 Jul 90.

Formation of BEDs [Departmental Electoral Bureaus]: 31 Jul 90.

Installation of BEDs: 6-8 Aug 90.

Setting in place of BEC [Communal Electoral Bureaus] and choosing of representatives of communal sections: 6-10 Aug 90.

Selection, training, and swearing-in of BIV [Voter Registration Bureaus]: 10 Aug 90.

Voter registration: 19 Aug-9 Sep 90.

Candidacy declarations and deposits: 21 Aug-4 Sep 90.

Contestation of candidacies: 21 Aug-7 Sep 90.

End of the decision-making process: 18 Sep 90.

End of delivery of certificates of deposit: 19 Sep 90.

Opening of the electoral campaign: 19 Sep 90.

End review of electoral lists: 5 Oct 90.

End renewal of electoral card: 19 Oct 90.

End of the electoral campaign (at midnight): 2 Nov 90.

First round of elections: 4 Nov 90.

Decisions of the first round: 13 Nov 90.

Opening of the campaign for the second round of elections [second tour]: 14 Nov 90.

Contesting of the results of the first round of elections: 14-16 Nov 90.

Decision on contested results, first round: 14-20 Nov 90.

Installation Casecs [Administrative Councils for the Communal Sections]: 13-28 Dec 90.

Second round upon publication

Results seven days after second round

Installation municipal councils: 13 Dec 90-13 Jan 91.

Installation Departmental Assemblies: 13 Dec 90-13 Jan 91.

Installation of Legislative Chambers: 14 Jan 91.

Installation of President: 7 Feb 91.

For the Provisional Electoral Council: Marc Antoine Noel.

Jamaica

Crime Suppression Act Introduced Due to Violence

FL0308183290 Bridgetown CANA in English 1737 GMT 3 Aug 90

[Text] Kingston, Jamaica, Aug 3, CANA—A controversial Suppression of Crime Act, which gives the Jamaica Security Forces sweeping powers of search and arrest, has been reintroduced here in the wake of an upsurge in gang violence.

National Security Minister K.D. Knight announced that the capital, Kingston, and surrounding areas—St. Andrew and St. Catherine—had again been brought under the act for a period of 30 days, effective August 1. The act, first introduced in 1974, had been lifted islandwide 10 weeks ago.

Over the past few months there has been an upsurge in gun violence in the inner-city linked to infighting among rival gangs over drugs and guns. Nearly 400 persons have been murdered here since the start of the year. Since Tuesday, sections of downtown Kingston have come under heavy gunfire forcing some businesses to close.

The national security minister said that the act would allow the security forces additional options in carrying out their duties. But some government opponents see it as an attempt to bar the further filing of class action suits against the police commissioner, the attorney general, and others for allegedly illegal searches and cordons. The opposition Jamaica Labour Party has been filing a number of such suits on behalf of residents of some of the troubled communities in West Kingston who were detained during raids in these areas.

Under the Suppression of Crime Act the security forces have the right to search private property without a warrant. The legislation has been widely criticised by human rights groups and lawyers as being unconstitutional. It was introduced as a temporary measure to fight rising crime, but they argued that it had outlived its usefulness and led to abuses of citizens' rights.

Since last year, the act was lifted serially under the present government, with final clearance being given to Kingston and the adjoining parishes of St. Andrew, St. Catherine, and Clarendon on May 17. At that time, Knight said that the act would be reimposed if it was thought necessary.

Trinidad and Tobago

Rebel Holdouts Sought; Cleanup Begins

FL0408125590 Bonaire Trans World Radio in English 1230 GMT 4 Aug 90

[Text] Army Troops and police in Trinidad are sweeping the island to root out any Moslem rebels who are holding out. A stepson of Trinidad's rebel leader was shot to death yesterday by police. Relatives say the young man was shot after police found him hiding in a closet.

Three-hundred-and-fifty guerrillas unconditionally surrendered Wednesday and ended a six-day coup attempt in Trinidad's Parliament building. They're being held in custody and will probably be charged with high treason, murder, and kidnapping.

Meanwhile, the cleanup is the next order of business. Shopkeepers are just beginning to return to stores that were torn apart by looters or gutted by fires during the rebel raids.

A-hundred-and-fifty troops from neighboring Caribbean countries are headed toward Port of Spain to keep an eye on the imprisoned rebels. Authorities are trying to rush in emergency supplies to solve shortages and sanitation problems. Banks will reopen tomorrow and Prime Minister A.N.R. Robinson, who was wounded in the coup attempt says he will speak to the nation of Trinidad tomorrow.

Robinson Describes His Treatment by Rebels

FL0408184690 Bridgetown CANA in English 1834 GMT 4 Aug 90

[Text] Port of Spain, Trinidad, Aug 4, CANA—Prime Minister A.N.R. Robinson, recuperating in hospital from injuries sustained during last weekend's coup attempt, late Friday night reported an improvement in his condition.

"I am quite a bit better than two days when generally I was having pain all over," Robinson said in first appearance on national television since his release on Tuesday by Black Muslim rebels who had taken him, several ministers, and other parliamentarians hostage. Robinson, whose face was visibly bruised, was shot in one leg and injured on the other. In addition, his sight deteriorated during his four days in captivity because he was unable to take medication for glaucoma, a degenerative eye condition from which he suffers.

Dressed in pyjamas and a dressing gown, Robinson told the nation Friday night that he was made to lie down on the floor of Parliament with his hands and feet tied, and had had a gun pushed down his throat until he vomited. But he said these were "little things" compared with the wider damage the attempted coup had caused to Trinidad and Tobago.

"I prayed and made peace with my maker and calmly awaited my fate," the 63-year-old prime minister said of the experience.

Robinson said the leg, in which he was shot, was still "in a state" and that he was not yet able to use it.

In the interview with a government official, Robinson recounted the initial stage of the coup attempt when the rebels stormed Parliament and said the treatment meted out to himself and his colleagues was humiliating. "I was incensed by the manner in which we were treated during that first night: how we were humiliated, how we were roughed up, how we were made to lie face downwards on the floor; our pants down—(National Security Minister Selwyn) Richardson and I and others," he said. "Our legs were tied together, tourniqueted, our hands were tourniqueted high up on our backs, our face was downwards. We couldn't even turn unless we had extremely excruciating pain...."

Robinson said the crisis was "the most trying period within living memory" and must never be allowed to happen again.

Caribbean Troops Guard Key Installations

FL0308205490 Bridgetown CANA in English 1812 GMT 3 Aug 90

[Text] Port of Spain, Trinidad, Aug 3, CANA—Caribbean troops were in Trinidad Friday to help the authorities clean up and keep looting in abeyance following a five-day bloody uprising in which a Muslim group held government ministers and media workers hostage.

Government spokesmam Dr. Gregory Shaw said Thursday evening that troops from the Regional Security System (RSS) would be used to guard key installations. Some 350 soldiers from Barbados, Jamaica, and the Eastern Caribbean were expected.

Central Port of Spain remained under 24-hour curfew Friday as soldiers and mortuary officials cleaned out buildings in the former seige area, where several people were killed.

Police were reportedly organising food distribution to shops in East Trinidad in a bid to prevent any further looting. Relief supplies had already started arriving Thursday with medical supplies being flown in from

Venezuela. Food and more medical supplies were expected from the neighbouring South American country Friday, Shaw said.

A cabinet team headed by Planning Minister Winston Dookeran, has set up a committee of permanent secretaries to put together proposals for Trinidad's emergency short-term and long-term reconstruction needs.

Outside of Port of Spain the curfew was eased by two hours Friday from the original 6PM to noon.

Muslim's Commune Destroyed by 'Mysterious Fire'

FL0308152590 Bridgetown CANA in English
1515 GMT 3 Aug 90

[Text] Port of Spain, Trinidad, Aug 3, CANA—The commune of the largely Black Muslim group which staged an unsuccessful coup here last weekend succumbed to a mysterious fire Friday morning, eyewitnesses said. Witnesses in the St. James area, just outside the capital, Port of Spain, said the compound comprised homes, schools, and ancillary facilities belonging to the Jamaat-al-Muslimeen.

Officials were unavailable to explain the cause of the blaze at the commune, which had been under guard by soldiers since Thursday.

Reporters touring the compound Thursday saw some of the huts, kitchens, and uncompleted buildings had been ransacked from military searches. Journalists were shown the opulent quarters of Jamaat leader Yasin Abu Bakr with Persian carpets, a marble bathroom, and well-stocked with food.

Army spokesman Major Dave Williams had told newsmen Thursday that arms had been found on the Jamaat premises. He did not elaborate.

El Salvador

Catholic Church Denounces 'Death Squads'

PA0508234490 Panama City ACAN in Spanish 1908 GMT 5 Aug 90

[Text] San Salvador, 5 Aug (ACAN-EFE)—The San Salvador Catholic Church denounced today that "death squads" (right-wing extremists) had murdered two people in an attempt to obstruct the negotiations process between the Salvadoran Government and the guerrillas.

San Salvador Auxiliary Bishop Gregorio Rosa Chavez said that the bodies showed signs that "forced us to accept them as evidence of the death squads' participation in these events."

The Catholic leader said at the end of his Sunday homily in one of San Salvador's centrally located churches: "It causes serious concern that this problem (of the death squads) has not been resolved. We must be very aware of such actions in the future."

The bodies of Jorge Alberto Cruz Campos and an unidentified 16-year-old young woman were discovered near Nahuilingo community in Western Sonsonate Department. The bodies were on the side of the road that leads to the International Airport, which borders southern San Salvador.

The prelate pointed out that within the government, Armed Forces and, perhaps, some guerrilla sectors, there are individuals who are opposed to the dialogue that has been in progress between President Alfredo Cristiani's right-wing representatives and the left-wing Farabundo Marti National Liberation Front (FMLN) since April, with the United Nation's mediation.

Government and guerrilla delegations ended peace talks in San Jose (Costa Rica), by signing a human rights agreement that is subject to international supervision. The agreement is subject to a cease-fire, and the talks are scheduled to continue on 17 August in the same city.

The Catholic leader said that "the dialogue has enemies in some sectors of the government and Armed Forces and, perhaps, the FMLN, who want the talks to fail."

Bishop Rosa Chavez reiterated that the dialogue's "enemies" are the people who "profit from the war and who want to hold onto their privileges and much more, such as impunity."

The Salvadoran prelate denounced the Army's casualty-free bombing of the "Ignasio Ellacuria" repatriates' community in the war-torn Chalatenango Department, approximately 80 km north of San Salvador.

Rosa Chavez denied reports of an alleged peasant massacre on 3 August in Cacaopera, in the conflictive Morazan Department in the eastern part of the country.

Coprefa Chief Chavez on Recent FMLN Actions

PA0308200290 San Salvador TCS Television in Spanish 1215 GMT 2 Aug 90

[Report by Samuel Arias]

[Text] Over the past few days the Armed Forces has maintained strict surveillance over all of San Salvador due to the possibility that the Farabundo Marti National Liberation Front [FMLN] may launch a new military offensive to pressure the government to give in to certain points discussed at the negotiating table. According to Major Mauricio Chavez Caceres, head of the Armed Forces Press Committee, Coprefa, this is an FMLN psychological offensive against the people to keep them worried and uncertain.

[Begin Chavez recording] We definitely consider this a psychological offensive and punishment of the people because the Armed Forces and government are ready. We have a moral, ethical, and constitutional responsibility that obligates us to safeguard and guarantee every citizens' security. [end recording]

Chavez Caceres said that this psychological offensive is gradually lessening because the people are overcoming it. However, he did not rule out that the guerrillas may launch a large armed offensive, but a lesser one than in November 1989.

In another turn of events, Maj. Chavez Caceres reported that guerrillas ambushed a vehicle carrying Armed Forces administrative personnel, killing four people and wounding four more. The officer condemned this and denounced the FMLN for having violated human rights agreements.

[Begin Chavez recording] Once again the FMLN violated the agreement signed in San Jose, Costa Rica. In fact, they violated point No. 1, which states:

All necessary actions and measures will be immediately adopted to prevent all kinds of actions and practices against people's lives, safety, and freedom.... [end recording]

This attack took place at Los Pirineos Canton, Santiago de Maria Municipality, where administrative personnel, apparently traveling without a military escort, were to do civic work. Claymore mines and rifle fire were used to ambush the vehicle.

UNTS on Creation of Paramilitary Groups

PA0308145590 San Salvador DIARIO LATINO in Spanish 1 Aug 90 p 1

[Text] The National Union of Salvadoran Workers (UNTS) reported today that paramilitary organizations are being created to terrorize the population once the government and guerrillas agree on a cease-fire.

At a news conference, the UNTS executive committe also announced their eighth "Febe Elizabeth Velasquez" national assembly meeting to be held at the Terraza movie theater on 11 August.

Mario Cabrera explained that he had reports that at Panchamalco, Ahuachapan, and in the eastern part of the country, these groups are being formed to take action once the guerrillas and the Army return to their barracks.

According to Guillermo Rojas, Major Roberto D'Aubuisson and Army hardliners are involved with these paramilitary groups, which are similar to those established in the 1960's and 1970's.

During the 1960's and 1970's, there was a paramilitary organization called the Nationalist Democratic Organization (Orden), which was broken up following the coup d'etat against General Carlos Humberto Romero on 15 October 1979.

During the news conference, the labor leaders requested this be halted and investigated and spoke against a general amnesty, which was proposed by the government and which includes forgiving military men and political prisoners.

The UNTS proposes the creation of an international verification commission, composed of various social forces, to immediately oversee compliance of human rights and proposed international personalities.

Nevertheless, they mentioned they will state their position regarding the peace agreements between the government and the guerrillas reached last week at San Jose, Costa Rica, at their upcoming assembly, which will carry the slogan "People's Agreement and Struggle for Democracy."

The new UNTS executive committee will be elected at that assembly.

Guatemala

Cerezo on Impact of Deputy's Death on Elections

PA0308201190 Guatemala City Telesiete Canal 7 Television in Spanish 0400 GMT 26 Jul 90

[Text] The murder of Otto Rolando Ruano Reyes, deputy for the Union of the National Center [UCN], has been condemned by President Vinicio Cerezo, who pointed out that pertinent investigations are being conducted and that he hopes it will not have any political connotations.

[Begin Cerezo recording] He was a deputy with a long democratic political career, particularly in the Revolutionary Party and lately at UCN. I want to tell you sincerely that I cannot understand the motive. Maybe the motive was local in nature. However, we have a serious commitment, which is to discover the cause of his death and the culprits. We do not want this to give the impression that the political and electoral process may become violent. We are sure we will find the murderers and find out the cause of his death. [end recording]

Regarding the possibility of providing security for presidential candidates during the next electoral race, the president said:

[Begin Cerezo recording] The killing of the deputy will cause the topic to be included in the civil defense system because of the need to find mechanisms to provide security for persons who decide to run for elective office.

As I said, my impression is that this is an isolated event. However, if any political groups are planning to introduce violence, we will place them under control and arrest their members. Sincerely, we are approaching an election that will be carried out with absolute honesty, and we do not want anybody to try to create an abnormal situation and interrupt the democratic process. This process will forge ahead and it would be regrettable if it were to result in innocent victims. [Words indistinct]. [end recording]

Army Patrol Seizes Guerrilla Arms Cache

PA0408021890 Guatemala City EL GRAFICO in Spanish 3 Aug 90 p 12

[Text] According to an official bulletin of the Army's Press Department, a military patrol seized a guerrilla arms cache yesterday at La Ventana Hill of the Mirandilla mountain, in Escuintla Municipality.

According to the military report, the troops caught a number of guerrillas by surprise and a skirmish ensued, but the rebels escaped.

The rebels left many weapons behind in the area, including Ruger Mini-14 rifles, M-16 rifles, .12-caliber shotguns, a 30-mm carbine, two Icom radios, a cellular telephone, six RPG-7 grenades, and six Chinese-made RPG-7 rocket launchers.

They also left 300 feet of fuse, 50 feet of slow-burning fuse, 15 bags of "ferrocite" [ferrocito] explosives, 52 one-kg cans of Tobex explosives, 1,300 7.62-mm cartridges for P-3 rifles, 2,000 5.56-mm cartridges, 30 .12-caliber cartridges for shotguns, two knapsacks, one new harness, 11 new hopper carriers [portatolvas], and 12 pieces of Marxist literature.

After seizing the armaments, the troops launched a combing operation in the area to find the rebels.

In addition, the Army said that it is prepared to neutralize the groups that are trying to derail the hopes for peace in Guatemala.

Cacif Announces Willingness To Meet URNG

PA0408122990 Guatemala City PRENSA LIBRE in Spanish 2 Aug 90 p 4

[Text] The Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations [Cacif] announced its firm determination yesterday to seek peace for Guatemala within the framework of dialogue or by any other means that might be required. Cacif has announced that the country's organized private sector is willing to meet with representatives of the Guatemalan National Revolutionary Unity [URNG].

This announcement was made by Cacif President Jorge Briz Abularach yesterday. He was accompanied by Cacif Vice President Victor Manuel Suarez, Directors Ovidio Giron, Adolfo Menendez Castejon, Mario Aguilar Solis, and Carlos Vielman, and Secretary Federico Pola.

Briz Abularach said that Cacif has carefully analyzed its participation in the peace process begun with the Oslo Agreement, which proposes meetings between the URNG and the country's various sectors, among them the business sector.

He recalled that after the Oslo Agreement was signed, the National Reconciliation Commission (CNR) invited Cacif, as a representative of the business sector, to participate in the country's peace process. After analyzing the invitation, the Cacif board of directors decided to consult with its affiliate chambers and associations.

He said that violence has hindered the advance of long-term, sustained development. The business sector, as well as other sectors, has suffered the painful consequences of the absurd violence that has divided our society and violated basic human rights.

He said that we have continued with our efforts to safeguard freedom in our nation with the firm hope of reaching a stable and lasting peace, and to once and for all end the insecurity and unrest of more than three decades. With the firm conviction that we will attain that peace, which we all want for our nation, we are determined to spare no efforts in our quest.

He stressed that one of the main goals of the organized business sector is to improve the people's general welfare. Therefore, it is indispensable to have peace and coexistence within a legal framework. That is why, after a careful study, the members of Cacif expressed their support and approval for the board of directors to adopt the decision.

Briz Abularach said: We adopted the decision and told the CNR to relay the information to the URNG. However, we received no reply because of communications problems. Today, through the local and foreign press, we publicly repeat our determination to meet with the URNG, firmly hoping that this effort toward the peace, harmony, and tranquillity that we all genuinely cherish will be shared by the rebels.

He added: Initially we told the CNR of our desire to meet with the URNG on 8-12 August in Canada. Unfortunately, these dates were not confirmed, and now we cannot say when the meeting will be held. We have not proposed any type of agenda for the meeting.

He continued: I want to emphasize that the place is not important. What matters is our firm will to reach peace in our country. However, we believe that Canada meets all the requirements for holding the meeting there.

Briz Abularach added that it is not true that some members of the private sector have objected to participating in the meeting. For example, the livestock sector has expressed its firm determination to participate in the talks with the URNG.

During a press conference yesterday at the Cacif headquarters, Briz Abularach said: When we meet tonight with President Vinicio Cerezo, we will tell him of our decision to participate in talks with the URNG. I believe that we are setting a precedent in our country by announcing our determinatiom and goodwill in participating in the meetings with the URNG.

URNG Says Elections Do Not Favor Democracy

PA0508185690 Panama City ACAN in Spanish 0038 GMT 4 Aug 90

[Text] San Jose, 3 Aug (ACAN-EFE)—One of the leaders of the Guatemalan National Revolutionary Unity (URNG) stated in Costa Rica today that the next Guatemalan presidential elections, scheduled for 11 November, "will not favor democracy, but weaken it."

Hector Nuila of the URNG Diplomatic Commission told ACAN-EFE that, taking into account that violence has increased three months before the elections, "it can be predicted that there will be a climate of terror on election day."

Nuila—who left for somewhere in Central America, a place he did not disclose—stressed that under such circumstances, the options that the opposition has are very limited and are further decreasing.

According to guerrilla records, more than 15 bodies of people who have been tortured and murdered by agents linked to the government appear in Guatemala per day.

Aside from the cases that can be counted, the URNG leader said that he thinks that the number of missing and murdered people will be hard to determine.

According to the URNG, the solution for this violent situation and the lack of security is not simple.

"We do not oppose an electoral process, but we are not convinced that through it we are going to find a solution to the armed conflict," the URNG said in a communique issued today, ratifying the position it maintained two months ago at the El Escorial (Spain) meeting.

To make the elections legitimate, they must be held in a society without persecution and without the systematic violation of human rights. They must be held in a society where all political and social sectors can become organized and freely express their opinions without being repressed, the statement said.

It added that the current process, "because of the existing characteristics and conditions," is not the right mechanism to express the people's sovereign will.

Nuila noted that there will be no democracy in Guatemala as long as the changes that the guerrillas have been requesting are not made, changes that were again requested in the meeting held with the country's political parties in Spain.

The basic demands made by the rebels include the solution of the the conflict, the building of a democracy, constitutional guarantees, and the elimination of civil self-defense patrols.

In addition, they are asking that the government reorganize and investigate the police and repressive groups, as well as place security and police organizations under the judicial branch.

Nuila stressed that the URNG has not called for the voters' abstention or for the destruction of ballots. It is not exerting pressure in favor of or against any presidential candidate. But, despite this, terror and repression has been increased to prevent the people from freely expressing their will.

In today's communique, the URNG warns that "if this repression and terror is not suspended immediately," it feels it "has the legitimate right and liberty to resume its acts of sabotage throughout the country and to carry out all kinds of offensive actions against the forces of terror."

Honduras

Reportage Covers Talks, End of Sitraterco Strike

Workers Reject Pay Raise Offer

PA0408032590 Mexico City NOTIMEX in Spanish 0043 GMT 4 Aug 90

[Text] Tegucigalpa, 3 Aug (NOTIMEX)—The Trade Union of Tela Railroad Company Workers (Sitraterco) this afternoon rejected a 17-percent pay raise offered by Honduran President Rafael Leonardo Callejas.

Sitraterco Recording Secretary Antonio Canales told NOTIMEX that the union will submit a counterproposal to Callejas on Saturday in an effort to settle the strike, which has already lasted 40 days.

Canales explained that the strike will continue "because the workers did not like the president's offer."

He pointed out that the workers will give Callejas a 72-hour deadline to give a "positive response" to the union's counterproposal.

Sitraterco's members are demanding an across-the-board pay raise of 40 percent.

Canales added that if they do not get a favorable response from the Honduran Government, "we will declare the negotiations fruitless and will so inform the Struggle Platform."

The Struggle Platform, which is made up of labor federations, trade unions, and cooperatives, agreed a week ago to declare a general strike if the union of United Brands workers so demands. Sitraterco is made up of 9,000 workers from the banana plantations on Honduras' Atlantic coast.

Government House confirmed that President Callejas will meet with his cabinet this afternoon to wait for an official response from the banana workers.

Government on Labor Problems

PA0508000290 Tegucigalpa Radio America in Spanish 2313 GMT 4 Aug 90

[Text] The Honduran Government is hereby informing the Honduran people that President Rafael Leonardo Callejas and the Cabinet Council are holding a meeting to examine the serious damage that is being done to the country's social and economic stability by the labor-management conflict between the Tela Railroad Company and Sitraterco [Trade Union of Tela Railroad Company Workers].

An examination of the statement issued by Sitraterco leaders reveals that the union has decided to maintain its inflexible position concerning an agreement and has rejected the proposal presented by President Callejas to both sides on 28 July.

The union's board of directors has added new proposals that seem an effort to block the arrangements that the government has responsibly and seriously proposed to counteract the consequences that the conflict could have nationwide.

If the labor union were to agree to suspend the strike and accept the salary increase proposed by President Callejas without establishing further conditions, a definitive solution would be considered viable and much prompter.

Acting in the country's best interest and within the democratic framework that constitutes the foundation of the nation's goals, the president and Council of Ministers are examining and studying the problem in order to make a decision that will be in the nation's best interest.

[Signed] Presidency Press Secretariat

Soldiers Disperse Union Protesters

PA0508001390 Tegucigalpa Radio America in Spanish 2318 GMT 4 Aug 90

[Text] This is what Rene Amaya, one of the Sitraterco [Trade Union of Tela Railroad Company Workers] leaders, told us when he reported that the Sitraterco installations and the banana plantations were being militarized. Let us listen:

[Begin recording] [Amaya] Good afternoon. First of all, I want to greet the Honduran people and tell them what is going on here in La Lima, where between 300 and 400 soldiers stormed the gates that had been guarded by the Sitraterco workers. We have always protected the corporation's interests while on strike. Several soldiers came with armored personnel carriers, dislodged the workers from the gates, and took away their flags. We regard this action as an invasion. The Honduran Army, rather than Tela Railroad Company, has declared war on us. We are reporting this and calling the other trade unions' attention to note what is going on in La Lima. We think the banana plantations could be militarized also in a moment's notice.

[Reporter] Rene, you are live on Radio America and being heard by the Honduran people at this time. You said that approximately 300 to 400 soldiers stormed the gates where you workers were. It has also been said that all of the workers have already been dispersed.

[Amaya] Yes. The workers were dislodged from the gates and their banners, which we had hung on the gates, were taken away by soldiers in armored personnel carriers, just as if they are at the border.

[Reporter] Where are the Sitraterco leaders at this time?

[Amaya] We, the members of the Executive Commission, are at the central building discussing the current events. We did not expect the Army to act like this. We thought the Army would come to maintain order, as the Constitution stipulates, but they acted otherwise, scattering the workers. We think this is improper because, instead of going against the corporation, they acted against us, the strikers, who are protecting the corporation's interests. [end recording]

Decree on 'Intervention' in Dispute

PA0508014290 Tegucigalpa Domestic Service in Spanish 0020 GMT 5 Aug 90

[Executive Decree No. 11-90, read by an unidentified government spokesman at the Government House in Tegucigalpa City—live]

[Text] The constitutional president of the Republic, in cabinet council, states that whereas:

On 24 June 1990 the General Assembly of the Tela Railroad Company's workers union decreed a collective work stoppage effective 25 June at all of the company's work centers. The work stoppage was carried out without fulfilling the established legal procedures and has seriously harmed the national economy.

The president of the Republic, as the Republic's general administrator has, among other duties, that of directing the state's economic policy and ensuring harmony between capital and labor, which are production factors.

Honduras' economic system is based, among other principles, on production efficiency and the peaceful coexistence of production factors. Thus, the state's intervention in the economy is in the public and social interest and is limited by the rights and freedoms stipulated in the Constitution of the republic.

Despite the efforts made through the president's intervention and that of an ad hoc commission named for that purpose by the labor and social welfare minister, and other government authorities, it has not been possible to reach an agreement between the two sides to solve the problem which, if it persists, will irreparably aggravate the damage already done to the country's economy. Therefore, it is the government's unavoidable responsibility to immediately solve the labor conflict in question.

In a timely manner the president presented to the sides in conflict a proposal to definitively solve the problem, which was not accepted by the Tela Railroad Company's labor union.

Therefore:

The president of the Republic, in cabinet council, using the faculties he is imbued with, and citing Articles 1, 135, 139, and 245, Numerals 20, 30, and 41; Article 252 paragraph 2, Articles 328, and 333 of the Constitution of the Republic; Articles 1, 2, 18, and 569, Numeral 3 of the Labor Code; Articles 1, 11, 17, and 22, Numerals 9 and 10 of the General Public Administration Law, decrees:

Article 1: To guarantee the right to work to all of the workers at the Tela Railroad Company, whether or not they are members of the union, who wish to return to work.

Article 2: To guarantee to the Tela Railroad Company its right to contract the necessary personnel for the company to function normally.

Article 3: All of the workers who resume their normal jobs [will be entitled] to all of the rights they would have in accordance with the law and the collective work contract.

Article 4: The executive branch will dictate all of the measures it may consider necessary for this decree's fulfillment.

Article 5: This decree will go into effect today.

Given in the Sessions Room at the Government House on 3 August 1990.

[Signed] Rafael Leonardo Callejas Romero, president of the Republic

Jose Francisco Cardona Arguelles, secretary of state at the Government and Justice offices

Mario Carias Zapata, secretary of state at the Foreign Relations offices

Ramon Medina Luna, secretary of state at the Economy and Commerce offices

Rene Ardon Matute, acting secretary of state at the Finance and Public Credit offices

Francisco Zepeda Andino, secretary of state at the Defense and Public Security offices

Rodolfo Rosales Abella, secretary of state at the Labor and Social Welfare offices

Cesar Armando Castellanos Madrid, secretary of state at the Public Health and Social Aid offices

Jaime Martinez Guzman, secretary of state at the Public Education office

Mauro Membreno Tosta, secretary of state at the Communications, Public Works, and Transportation offices

Sonia Canales de Mendieta, secretary of state at the Culture and Tourism offices

Mario Nufio Gamero, secretary of state at the Natural Resources office

Manlio Dionisio Martinez Cantor, secretary of state at the Budget and Economic Planning offices

Guillermo Antonio Maradiaga Andino, acting executive director of the National Agrarian Institute

Economic Strike Damage Assessed

PA0508194190 Tegucigalpa Domestic Service in Spanish 1902 GMT 5 Aug 90

[Text] Here is an official communique: The Honduran Government reiterates that as long as Sitraterco [Workers Union of Tela Railroad Company] leaders remain on strike, it is difficult to advance talks to return to tranquility and normalcy. The losses to the country as a result of the strike total millions of lempiras, to the extent that many government programs that benefit the people have been harmed by this problem, which has dragged on because of intransigent and inflexible attitudes. Acting in a moderate, serious, and responsible manner, the government is guaranteeing all workers that return to their jobs that they will be entitled to their rights in accordance with the law and the collective bargaining agreement on work conditions. Executive Decree No. 11-90, issued by President Rafael Leonardo Callejas and the council of ministers, also guarantees the right to work to all banana company workers who wish to return to their jobs.

Labor Minister Makes Statement

PA0508021890 Tegucigalpa Domestic Service in Spanish 0010 GMT 5 Aug 90

[Speech by Labor and Social Minister Rodolfo Rosales on 4 August; place not given—recorded]

[Text] Good evening, fellow citizens. As the Honduran people already know, the Trade Union of Tela Railroad Company [Sitraterco], in compliance with a resolution issued during its general assembly, decided to stop work effective on 25 June. This strike failed to comply with all the requirements that the Honduran law stipulates for an action of such economic and social importance not only for the trade union but for all of the people as well.

In accordance with the policy of President Rafael Leonardo Callejas, who favors dialogue as a way to find a solution acceptable to both sides, an ad hoc commission was formed with officials of the executive and legislative branches. This high-level commission fulfilled its mission of having the conflicting sides, Tela Railroad Company and Sitraterco, hold direct negotiations to try to reach an accord on both a revision of the clause dealing with salaries and other points raised by Sitraterco, of which five were resolved. After one week of arduous negotiations, the revision of the salary clause, the wharf workers' problem, and the nonprofessional incapacity risk were still pending.

Regarding the salary clause, Sitraterco has demanded a 60-percent raise above the basic daily salary of 16.40 lempiras. The corporation offered to pay 100 lempiras over the value of the family basket as an act of generosity. The workers turned down the company's proposal and in turn demanded a 54.2-percent raise above the base salary. The corporation then offered either a 12-percent raise over the hourly salary for by-piece workers and packers or 110 lempiras for the family basket and that the latter would not be considered part of the base salary. Urged by the Sitraterco general central leadership, however, the National Congress president mediated in the negotiations and had the company propose a 24-percent salary raise, which would be applied in two stages: 12 percent immediately and 12 percent when the new collective contract is negotiated in eight months. This offer was also turned down by Sitraterco.

Because one month of negotiations had elapsed in which the proposals and counterproposals had been rejected, the president designated a support commission formed by Gilberto Goldstein, private secretary of the Presidency, and lawyers Mario Rivera Lopez and Manuel Acosta Bonilla, who talked with the sides in an effort to have them reach an agreement. At the time, Sitraterco presented a new demand. This time the trade union demanded a 50-percent raise. The corporation reiterated its offer to pay a 12.5-percent pay raise and demanded that the Labor Ministry declare the strike illegal. In view of the adamant position of the sides, the presidential delegates pulled out from the talks, and only the ad hoc commission that had dealt with the cnflict remained.

The worrisome situation brought about by the extension of the labor-management conflict moved President Callejas to visit Sitraterco and meet with the trade union's leaders. The aggravation of the conflict and the considerable and irreparable damage that it caused moved the president to make a final offer to the conflicting sides. On 29 July, the labor minister delivered the following presidential proposal to Sitraterco and the company.

A. Salary increase.

1. The basic hourly salary would be set at 2.56 lempiras.

2. All workers who get paid on an hourly basis would receive a raise of 4.10 lempiras daily.

3. Workers on a monthly salary would receive a 125 lempiras monthly.

4. The by-piece work, because it is variable, would be paid with a 17.2-percent increase over the existing rate.

B. Once activities are resumed in all the operational areas of the corporation, the sides should continue negotiations within the law to settle the other points of the contract under dispute.

This proposal, which entailed 19.6 million lempiras in salaries, was made to try to prevent the workers' true salary from falling to levels that would harm the trade union members' home economies. At the same time, the proposal aimed at preserving the local and international competitiveness of the banana production in the country and keeping the proper conditions so the banana plantations can continue to be a substantial source of jobs, thus helping to correct a situation that is proving harmful for the Honduran people.

The corporation accepted the president's proposal. Sitraterco did not say it agreed but conditioned the acceptance of the proposal to an explanation by the president and requested to meet with the president to discuss the presidential proposal. This is how President Callejas, in an effort to find a solution to the problem and prevent the conflict from continuing to harm the national interests and the workers' rank and file, met for long hours with the trade union leaders on 1 August, when he broadly expanded on his proposal to settle the conflict and reassured the workers that the points related to the wharf workers and the nonprofessional risk incapacity would continue to be negotiated between both sides and the government ad hoc commission so that an agreement on both points could be be reached in eight days. The trade union leaders took with them the presidential proposal to resume work on 2 August.

During the secretaries general assembly held on 3 August, the Sitraterco workers rejected the presidential proposal and reiterated their intention to continue their strike. The continuation of this state of affairs not only cuts into the trade union members' family income by more than eight million lempiras, but also it aggravates the foreign currency shortage by more than $15 million and contributes to reducing the government's fiscal capacity by more than 15 million lempiras. This situation has occurred at a time when, as everybody knows, the government intends to lower its fiscal deficit, increase the amount of available foreign exchange, and counteract the negative effects of inflation. To continue with an adamant stance that precludes an agreement acceptable to both sides and does not contribute to the nation's well-being is a very negative action that effectively negates the government's purpose of fulfilling the constitutional mandate to guarantee the Honduran people's social and economic well-being.

Consequently, the president, after meeting with the council of ministers, has taken the proper measures to restore the normal conditions so that all those workers who so desire can return to work and so the corporation can resume its productive activities. In addition, the president has instructed the Armed Forces to ensure the fulfillment of these measures.

Sitraterco Termed Stubborn

PA0508043790 Tegucigalpa Domestic Service in Spanish 0329 GMT 5 Aug 90

[Text] The government of Rafael Leonardo Callejas has maintained a policy of rapprochement toward all of the sectors, promoting dialogue as the adequate way to resolve national problems. From this democratic perspective, the government, observing the deterioration of the negotiations between the Tela Railroad Company and the organization known as Sitraterco [Trade Union of Tela Railroad Company Workers], designated an ad hoc commission formed by the secretary of state at the labor and social welfare offices, the assistant secretary of state at the government and justice offices, and one deputy to the sovereign National Congress, so that the factions could solve the problem that had emerged.

More than 30 days passed. The president of the Republic agreed to talk with the factions in order to establish harmony between the employers and workers. On 28 July he presented a proposal congruent with the country's economic reality in an effort to satisfy the Sitraterco members' salary demands. The president surpassed the final offer made by the Tela Railroad Company, but all of the government's efforts were in vain in view of the stubbornness of certain leaders and their insistence on maintaining inflexible positions, challenging the government in public statements, and leveling threats aimed at destabilizing the republic's tranquility and peace.

The Honduran president insisted on a dialogue throughout and exhausted every means of solving the labor conflict that has done so much damage to the nation's economy. The country has lost over $15 million in foreign exchange since the strike at the Tela Railroad Company began. Honduras needs this foreign exchange to purchase medicine and to face a great many needs. The public treasury has also been hit hard by the loss of approximately 12 million lempiras in taxes. The condescension displayed by the government because of its spirit of democracy and dialogue, which are sources of motivation for the Honduran president, were misinterpreted by those who are motivated only by the desire to spread anarchy throughout the country.

The government knows that many workers do not share the positions of those who want to implement chaos nationwide and has therefore decided to guarantee this source of jobs by opening the doors that have been closed by individuals who have never understood that the solution of great national problems lies in dialogue. Honduras comes first, and the fatherland's interests come before personal, group or faction interests.

Peace Reported Throughout Country

PA0508185790 Tegucigalpa Domestic Service in Spanish 1823 GMT 5 Aug 90

["Official communique" issued by the Press Secretariat of the Honduran Presidency in Tegucigalpa on 5 August]

[Text] The Honduran Government reports that there is complete social peace throughout all the national territory. This naturally includes the banana areas and the respective job sites of the Tela Railroad Company.

The government has adopted measures to maintain peace and order, ensuring that the workers who so desire can return to their jobs.

The Honduran Government reiterates its firm willingness to attain, through normal and sensible procedures, a peaceful and immediate solution to the 42-day-old banana workers' strike, which has caused serious harm to the national economy.

Tegucigalpa, 5 August 1990

[Signed] Press Secretariat of the Presidency of the Republic

Sitraterco Leader Says Two Wounded

PA0508193190 Panama City ACAN in Spanish 1758 GMT 5 Aug 90

[Text] Tegucigalpa, 5 Aug (ACAN-EFE)—Two persons were wounded after yesterday's takeover by Honduran soldiers of the installations of the multinational "Tela Railroad Company," located in northern Honduras, to remove a group of the 7,300 workers who have been on strike for the past 42 days, it was reported today in Tegucigalpa. Javier Mendoza, one of the leaders of the Workers Union of Tela Railroad Company (Sitraterco), told ACAN-EFE that these two workers were wounded when an army lieutenant "fired two rounds with his rifle in front of the electric gate of the company's engineering workshop in La Lima.

He added that the soldiers "have been in full control of the company's installations since yesterday." This company is a subsidiary of U.S. "Chiquita Banana" company. The workers fear new clashes with workers hired by the company to replace those on strike. Mendoza stated that in La Lima, where the company's main offices are located, constant deployments of soldiers can be seen and groups of soldiers are holding positions in the packing plants and the farm's entrances and exits.

The soldiers carry automatic rifles, machine guns, bulletproof vests, and riot gear, the union leader noted. He added that he and Sitraterco President Rene Ayestas tried to visit the banana farms, but had to turn back because the Army is conducting a thorough search of all vehicles and persons going to those fields. "We were on our way to the farms, but soldiers arrested and searched us, so we decided to return to the union's main offices (in La Lima), where today we will hold a meeting with Sitraterco's secretary generals," Mendoza indicated.

Since yesterday, the Honduran Government has been maintaining a national radio network, where it is rebroadcasting the agreement signed by the council of ministers, stating that "it will guarantee that those workers who want to resume their work can do so, and that the company can hire employees to continue their operations." Ayestas referred to the Army intervention in the conflict as "a declaration of war."

The crisis deteriorated further over the weekend, when Sitraterco leaders rejected an offer by President Callejas to accept a 25-percent wage increase over the basic daily wage of $4. Workers are demanding a 30-percent increase, payment of back wages, and settlement of other labor problems. The multinational company estimates that its economic losses total $40 million. An unusual movement of troops can also be observed in Tegucigalpa, with soldiers riding personnel carriers and other kinds of vehicles equipped with automatic rifles and machine guns.

Soldiers Patrolling Tegucigalpa

PA0508195390 Mexico City NOTIMEX in Spanish 1852 GMT 5 Aug 90

[Text] Tegucigalpa, 5 Aug (NOTIMEX)—Armored personnel carriers and heavily armed soldiers are patrolling the streets of this capital and the cities of San Pedro Sula, Progreso, and Lima, after President Rafael Callejas declared illegal a strike by banana workers of the northern coast.

Three workers have been reported wounded and two missing in Lima, Cortes Department, headquarters of the Trade Union of Tela Railroad Company Workers (Sitraterco), the 44-day-old strike that involves 9,000 workers.

Javier Mendoza, Sitraterco organization secretary, said over the telephone that although Sitraterco headquarters has not been seized by the military, movement by labor leaders of the United Brands subsidiary is restricted.

When the military entered Lima last night, a lieutenant armed with a machine gun wounded Luis Vasquez, German Miranda, and an unidentified man. Alirio Arias and Jose de la Paz Portillo are also reported missing.

The union spokesman reiterated that the conflict with the banana company is over better wages, because the basic wage of a banana worker is 492 lempiras, approximately $120.

He announced that to prevent a bloodbath, the union will hold a general assembly in Lima today, and an agreement might be reached, even though it might not be to the liking of all the workers on strike.

Honduran Labor Minister Rodolfo Rosales Abella traveled today to San Pedro Sula, where meetings on the banana problem are being held at the headquarters of the 105th Infantry Brigade.

Mendoza said that Colonel Rene Fonseca, commander of the brigade, met last night with Sitraterco President Rene Ayestas to tell him that the military will enforce the president's order so that the banana areas can return to normal on 6 August.

Callejas Announces End of Strike

PA0608050290 Tegucigalpa Domestic Service in Spanish 0342 GMT 6 Aug 90

[Speech by President Rafael Leonardo Callejas at the Presidential Palace in Tegucigalpa—live]

[Text] Hondurans, I am pleased to report, on a personal basis and on behalf of the government, to all my fellow citizens that a solution has been found to the labor-management conflict that arose between the Tela Railroad Company and the Sitraterco [Trade Union of Tela Railroad Company Workers].

Since the beginning of the problem, I was interested in reaching a settlement between the parties and, therefore, I created an ad hoc commission that worked throughout the long conflict without sparing any efforts or time to achieve harmony between the workers and the company.

Taking into consideration that the situation was affecting our economy and undermining social stability, my government adopted on 4 August the measures stated in Executive Decree 11-90 to make national interests prevail, because these were threatened by the conflict-ridden situation, which has lasted for 42 days.

I have always been, given my democratic foundation, an advocate of dialogue because it is the most adequate means of solving problems. Within this framework, I always harbored hopes for a negotiated solution that would not continue to erode the Honduran economy.

The decision to issue Decree 11-80 [as heard] was not an action aimed at intimidating one of the parties or protecting the other. Instead, it sought to guarantee the right to work and overcome the losses caused in one of the most important export areas, which had caused losses of approximately $15 million in foreign exchange revenues and 12 million lempiras in taxes, and, of course, to make the law prevail.

Reaching an agreement and ending the strike is not a matter of winners or losers. My government feels that the situation has been overcome and the only one winner is Honduras and its people because our nation needs everyone's participation to face the enormous problems that we are enduring.

The free trade unions in our country have, like the enterprises and agencies in which they operate, the enormous responsibility of sharing social stability with us as the essential principle for a peaceful coexistence.

I want, as president of the Republic, to congratulate the labor union leaders, who acted correctly in difficult times with the highest patriotic responsibility; the enterprise, which actively cooperated to reach the agreement that has returned normalcy; the Honduran people, who remained calm with high spirits; the Honduran Armed Forces, for their professional conduct and decided support of the government of the Republic in maintaining order; and to all my collaborators, who strived day and night to find a solution. Let us congratulate ourselves. Honduras has won and we have once more proved to our fellow countrymen and foreigners that Honduran democracy is enroute to perfecting itself and becoming an example for the world.

Honduras, the essential task is the construction of a dignified homeland in which we may all live in peace and harmony. We, labor union members, businessmen, rulers, and all those who in one way or another must help our country become great, should join efforts to eradicate the shadows that threatened to darken the nation.

This has been an experience, but we cannot forget the fact that democracy is the way in which human beings can understand each other and face the future with love for Honduras. Good evening, dear fellow countrymen.

Document Outlines Agreement

PA0608052190 Tegucigalpa Domestic Service in Spanish 0348 GMT 6 Aug 90

["Special Acceptance and Conciliation Document" read by Nahum Valladares, minister of information for the presidential house; place not given—live]

[Text] In the city of San Pedro Sula, Cortes Department, on 5 August 1990, at a plenary meeting of the General Executive Committee of the Trade Union of Tela Railroad Company Workers, Sitraterco, the gentlemen: Rene Ayestas, president; Jose Nicolas Rivera Ortiz, secretary general; Jesus Antonio Canales, secretary of documents and correspondence; Rene Amaya Rivera, labor and claims secretary; Oscar Armando Flores, secretary of finance and social welfare; Javier Mendoza Guevara, secretary of organization and statistics; Tela Railroad Company's legal representative, Carl F. Koch, and the government commission: Labor and Social Welfare Minister Rodolfo Rosales Abella, Attorney Nicolas Cruz Torres, deputy at the National Congress; Attorney Roque Pascua, assistant secretary of government and justice; Emin Abufele, minister adviser at the presidency; gathered for the purpose of definitively concluding the labor-management conflict, in compliance with Executive Decree No. 11-90 of 3 August 1990. We have agreed on the following:

1. The Tela Railroad Company's labor union obligates itself to immediately suspend the work stoppage decreed by its General Assembly on 24 June.

2. The same labor union totally and unconditionally accepts the proposal made by His Excellency President Rafael Leonardo Callejas Romero on 28 July. This government proposal was addressed to the Sitraterco and the Tela Railroad Company to reach an agreement concerning the adjustment of the salary clause in the collective labor contract.

A. Increased salaries.

1. The basic salary per hour will be fixed at two lempiras, 562 centavos.

2. All workers who earn hourly salaries will receive an increase of four lempiras, 10 centavos daily.

3. Workers who earn monthly salaries will receive an increase of 125 lempiras monthly.

4. Because work by project, task, or contract are variable, they will be remunerated with an increase of 17.2-percent over the current price.

B. Once activities in all of the company's areas of operation have resumed, the sides must continue their negotiations legally to solve the other points of the conflict. Both sides have pledged to resume work as of this date in an orderly and peaceful manner, without provocative actions that are contrary to the spirit of harmony and good labor-management relations.

3. The Tela Railroad Company confirms its full acceptance of the president of the Republic's proposal in accordance with the message of acceptance issued on the same date, 30 July 1990.

4. Tela Railroad Company, in compliance with Honduran laws, vows to continue respecting the collective agreement that is currently in effect and that was signed by the parties.

5. Both sides solemnly promise to begin bilateral talks on Monday, 6 August, with the help of the Ad Hoc Commission appointed by the government. They will discuss points two and eight, concerning leave due to illness and accidents that are not job- related and dock workers' matters, respectively.

6. It is hereby established by common agreement that the Armed Forces will remain at job centers until all banana production activities are completely back to normal.

7. Both sides agree not to take reprisals because of this conflict.

To certify this, this document is signed by the parties mentioned above and by the government officials.

This document is signed by: Rene Ayestas Chavez, president of Sitraterco; Jose Nicolas Rivera Ortiz, secretary general; Jesus Antonio Canales, secretary of documents and correspondence; Rene Amaya Rivera, labor and claims secretary; Oscar Armando Flores, secretary of finance and social welfare; Javier Mendoza Guevara, secretary of organization and statistics.

Karl F. Koch, general manager of Tela Railroad Company

Rodolfo Rosales Abella, labor and social welfare minister

Nicolas Cruz Torres, deputy

Roque Pascua, assistant secretary of government and justice

Emin Abufele, minister-adviser of the presidency

Presidency Reports 'Many' Back to Work

PA0508201890 Tegucigalpa Domestic Service in Spanish 1938 GMT 5 Aug 90

["Official communique" issued by the Presidency's Press Secretariat in Tegucigalpa on 5 August]

[Text] Banana workers have realized that the government of the Republic, via Executive Decree no. 11-90 issued on 4 August, will guarantee their right to work and that their sacred right to earn a living for themselves and their dependents is above the lesser interests of groups and organizations.

The government of the Republic has learned that many unionized and independent workers are resuming work in the hope of recovering the production lost as a result of the strike declared by labor leaders in violation of the law.

The Honduran people are monitoring the conflict and hope that it will be resolved to avoid causing more serious damage to the national economy. We want to put on record that the government headed by Rafael Leonardo Callejas insists that dialogue is the most efficient means to resolve the labor-management conflict. The strikers must stop prolonging an abnormal situation.

[Signed] Press Secretariat, Presidency of the Republic

Banana Workers Urged To Return to Jobs

PA0508222990 Tegucigalpa Domestic Service in Spanish 2133 GMT 5 Aug 90

[Statement read by unidentified station announcer]

[Text] Banana workers, the government proposal on the salary increases continues to be the basis for achieving your social needs. Once the enterprise agrees with this proposal, the government guarantees that the figures mentioned will serve to guarantee your incomes without any exceptions. Banana workers, as conscientious Hondurans, you must understand that Honduras is experiencing one of its worst economic crises and, therefore, needs greater productivity, a productivity that cannot occur if more strikes continue. Work is the slogan. Without work we are blocking national development.

Callejas Denies Knowledge of Incident at Border

PA0308164290 San Pedro Sula TIEMPO in Spanish 31 Jul 90 p 5

[Text] President Rafael Callejas denied any official knowledge of a Honduran Army incursion into Salvadoran territory, or of the death of peasant Julian Perez, as reported on 29 July by Salvadoran Archbishop Gregorio Rosa Chavez.

In his Sunday homily, Msgr. Rosa Chavez said that Honduran soldiers killed Perez during an incursion into the community of El Zancudo, located on the common border.

Rosa Chavez said that the Honduran Army's incursion in El Zancudo was confirmed "on site" by a church commission.

However, when asked to comment on the incident, Callejas said: "I only know what the local press has published; I have no other information on the case."

The official mouthpiece of the Farabundo Marti National Liberation Front (FMLN) [not further identified] reported that the incident occurred 15 days ago.

On that occasion, Foreign Minister Mario Carias Zapata denied the reports and at the same time noted that El Zancudo is located in Honduran territory and therefore patrolling in that area is normal.

On another subject, Callejas denied reports regarding an alleged conflict or confrontation between him and Armed Forces Commanding General Arnulfo Cantarero Lopez. It has been said that the differences became more acute with the dismissal of Colonel Manuel Enrique Suarez Benavides as Hondutel [Honduras Telecommunications Enterprise] manager.

Callejas said that he has "good relations" with Cantarero Lopez, adding that he had nothing to do with Suarez Benavides' dismissal as Hondutel manager. He stressed that traditionally, for national security reasons, whoever occupies that position must have the acceptance of the Armed Forces.

Callejas also said that his participation in the UN General Assembly to be held in New York in September has not been decided yet.

"I will try to go; it would be the first time a Honduran president took part in a UN assembly.

He added that his participation in that meeting will depend on whether the dates coincide with the International Convention for Children Rights to be held on 30 September in New Orleans, which he will attend at the invitation of Mexican President Carlos Salinas de Gortari.

Government, Workers Agree To Hold Meetings

PA0308184590 Tegucigalpa EL HERALDO in Spanish 26 Jul 90 p 38

[Agreement signed by President Rafael Leonardo Callejas and the National Coordinating Commission of the Platform for Struggle in Tegucigalpa on 24 July]

[Text] The president of the Republic and the National Coordinating Commission of the Platform for Struggle to democratize Honduras [Comision Coordinadora Nacional de la Plataforma de Lucha para Democratizar Honduras], fully aware that dialogue and negotiation are highly democratic and advisable instruments in the search for solutions to the problems that currently exist in the country, agree to meet periodically as demanded by the circumstances to discuss and to reach agreements on matters such as the following:

1. Basic Aspects:

a) Concerted effort, regulation and control of prices, quality, and quantity of the goods and services that are consumed. Consumer protection law and its modifications

b) Overall adjustment of salaries

c) Privatization

d) Labor stability

e) Employer's and government's interference in the organization of workers. Labor Code reforms in accordance to Agreement 98 of the OIT [International Labor Office] and other aspects of our national reality. Substantial reforms to the legal procedures used to deal with conflicts and organization in general, especially by expediting the procedures that need to be taken

2. Instruments to guarantee the basic aspects:

a) Monetary policy: devaluation, interest rates, inflation, etcetera

b) Foreign trade policy:

—Decree to encourage exporters to repatriate 100 percent of the foreign exchange they get for their exports

—Participation of workers in the Central American integration process

c) Agrarian and forestry reform, cooperative organization, and antiterrorist law

d) Social aspect of the economy, its participation, regulation, and financing

3. Educational Aspects:

a) Educational reform and teacher's guidelines

4. Guarantee and protection of life

5. Democratization process:

The other economic, social, and political aspects included in the Platform for Struggle

6. Organization and integration of street peddlers and other "unorganized" groups into the productive process

Meetings will be held once a week or as circumstances demand. The date, time, and place of each meeting will be agreed upon by the signatories of the document at the end of each meeting. The agreements reached will be put in writing.

The agreements are to be implemented immediately, unless something else is agreed to beforehand. The parties responsible for implementing the agreements must adopt the necessary measures to do so under the terms that have been previously set forth. The commissions that are created will accomplish their mission strictly adhering to the instructions given by the signatories.

The parties involved state that the meetings mentioned above will have as their ultimate purpose the growth and integral development of the Honduran people in the framework of the universal declaration on human rights and the Constitution; the improvement of the country's democratic process in compliance with legislative decree 156:85, which includes an article that states: "To declare of national interest the participation of labor, peasant, and political organizations in the drafting, implementation, and evaluation of the national development strategy in this and in any democratic government that may be installed in the Republic of Honduras."

Tegucigalpa, 24 July 1990

President of the Republic

National Coordinating Commission of the Platform for Struggle.

Editorial Urges Government 'To Profit' From Plan

PA0308223690 San Pedro Sula LA PRENSA in Spanish 1 Aug 90 p 9

[Editorial: "The Bush Plan"]

[Text] The First Central American Economic Conference on Trade, Investments, and Development was the main event held in the eighties in Central America to promote investments, trade, and development, and representatives from the private and public sectors of all the Central American nations, as well as of the United States, Canada, Europe, and Asia, participated in the conference.

As a result of this conference, a strategic program was drawn up to stimulate exports, eliminate tariff barriers, and promote investments and the structural economic reforms that would allow sustained economic growth.

This conference was also the source of a working document called "Central America and the United States: Together Toward Liberty and Prosperity," which was presented at the U.S. Congress, the Honduran Congress, and all the capitals of the Central American nations. Its goal was to formulate a policy with common objectives in trade, investment, and development issues, with equal opportunities for the integration of the American nations.

Within this context, President George Bush proposed an initiative on 27 June that was aimed at eliminating tariff and trade barriers between the United States and the nations that, like those of the Central American isthmus, have joined to promote free trade, economic integration, and balanced development in the region.

President Bush also offered to write off certain loans granted by the United States to the nations of the area, ease debts with multilateral organizations not contemplated in the Brady Plan, promote U.S. private investment in the region, and contribute $100 million to a $300 million fund which would be administered by the Inter-American Development Bank (IDB).

The initiative to reduce the debt of Latin America and the Caribbean to the United States within President Bush's plan to create a free trade zone in the American Continent is of fundamental importance for the implementation of the Central American presidents' declaration in Antigua, Guatemala, and the agreements with Secretary of State James Baker for the liberalization of trade and the economy.

The implementation of the Bush plan should be carried out within the context of President Callejas' speech at the OAS, during which he said: "Political democracy can only be permanently sustained if it is based on true economic opportunities, and this is not enough. Economic opportunities should result in the improvement of our people's standard of living."

As disclosed in the working document "Central America and the United States: Together Toward Liberty and Prosperity," Central America requires special treatment in financial, trade, and direct investment issues. Honduras, as a balancing factor in the area, needs to improve its negotiations in Washington to obtain the necessary support from the international community, to push forward projects to reactivate the economy, and to contribute toward providing equal opportunities to the community within the liberalization of the economy.

Other nations, such as Costa Rica, El Salvador, Guatemala, and Nicaragua, have taken steps to profit from the Bush plan and maintain a mission at the IDB, the World Bank, and other international institutions with headquarters in Washington. Honduras has even lost the executive presidency and vice presidency of the Central American Bank and does not have a regional representative, particularly for the implementation of the Bush plan.

Even though the working document originated at the First Central American Economic Conference and constitutes a forerunner to Bush's initiative, if we continue to act selfishly, Honduras will have only a minor participation within the financial cooperation offered by the Washington administration. For this, actions must be taken bearing in mind national interests and equal opportunities for development.

UN Rejects Charges on Contra Assistance

PA0508170090 Panama City ACAN in Spanish 1930 GMT 4 Aug 90

[Text] Tegucigalpa, 4 Aug (ACAN-EFE)—UN delegates today rejected a U.S. senator's report saying that the United Nations are inadequately assisting the contras. The delegates agreed, however, that the funds invested in the assistance program should be audited.

Both Ulrich von Blumenthal, representative of the UN High Commissioner for Refugees [UNHCR], and Gino Acosta, representative of the International Commission for Support and Verification [CIAV] pointed out: "We have nothing to conceal."

This was the UN diplomats' reaction to Senator Reid's request for the General Accounting Office of the U.S. Congress to look into the handling of the funds provided by Washington for the humanitarian assistance of the anti-Sandinists living in Honduras.

A report by Reid, disclosed this week, held both the UNCHR and CIAV responsible for cutting the food supply and failing to give medical attention to the thousands of Nicaraguans settled at the border area between Honduras and Nicaragua.

Blumenthal commented that Reid's initiative has not yet been approved. He added, however, that "an audit would be welcome, because a groundless accusation would thus be clarified."

In turn, Acosta said he "is sure that the Nicaraguans are being adequately fed."

The CIAV delegate admitted, however, that the former combatants are at present receiving a lesser food supply than that formerly provided by the Agency for International Development [AID], which is a Washington-controlled organization.

"The CIAV adjusted the allocations because the former contras are no longer fighting. Consequently, their needs, as those of any other civilians, are different, although their families in general are getting more food than before," Acosta pointed out.

The UNCHR and CIAV humanitarian assistance program presently benefits approximately 40,000 Nicaraguans, including refugees, civilians, and the demobilized.

Nicaragua

Government 'Deplores' Iraqi Invasion in Kuwait

PA0408010190 Panama City ACAN in Spanish 2134 GMT 3 Aug 90

[Text] Managua, 3 Aug (ACAN-EFE)—The Nicaraguan Government today "deeply" deplored the Iraqi military invasion in Kuwait and stated its "strongest protest" against the "use of force" to settle conflicts between states.

A communique issued today by the Nicaraguan Foreign Ministry says that Violeta Chamorro's government is "deeply concerned" about events occurring in the Persian Gulf area.

Iraq invaded Kuwait to support a group of revolutionaries who perpetrated a coup d'etat against the oil-producing country's government.

The Nicaraguan Government says in the document that Nicaragua "deplores" the "start of hostilities between the peoples of Iraq and Kuwait" and condemns the violation of Kuwait's territorial integrity and sovereignty.

The Chamorro administration also issued an appeal for a "cease- fire" and demanded the "immediate withdrawal of the troops occupying the Kuwaiti territory."

Workers Reach Agreement, Retract Demands

PA0308121390 Managua Radio Sandino in Spanish 0000 GMT 3 Aug 90

[Text] The municipal workers' long struggle finally ended today at 1600, after protesting for more than 15 days against the unjust dismissal of 149 municipal workers. The workers decided to request their separation pay and retract their demand that they be given back their jobs, because they feel it will be extremely uncomfortable to continue working under Mayor Arnoldo Aleman's repressive administration.

The workers were able to get five months' wages for those with more than six years in service; one and one-half months' wages for workers with less than five years in service; and one month for those with one year in service.

Labor union leaders said that they are not wholly satisfied with the results of the negotiations, but that they settled it to avoid further problems, following the incidents that occurred this morning when the mayor even called the police to take away the workers' sound equipment and evict them.

The talks began at 1100 and ended at approximately 1600. Labor union Secretary General Manuel Toledo explained part of the workers' proposals during the negotiations.

[Begin recording] [Reporter] What is your proposal right now?

[Toledo] The workers' position is that the salaries due them should be paid. They were kept waiting a long time until they were able to participate in a negotiation. This includes those who were included in the latest salary readjustment. A deadline has been established: Everything owed to the workers must be paid by 9 August.

[Reporter] What about those who must be given back their jobs?

[Toledo] Most of the workers say they do not want their jobs back because this would be equivalent to accepting the plans for future repression against people living in several districts. This includes evicting people, taking away land, and so forth. The workers do not want to be part of this anymore. [end recording]

Commentary Rejects False Sandinists Rumors

PA0308184690 Managua Domestic Service in Spanish 1815 GMT 2 Aug 90

[Station commentary]

[Text] We are aware that UNO [National Opposition Union] was created as an electoral alliance so that all the opposition parties could participate united in the 25 February elections. Aside from that merely electoral activity, and its wise move nominating Violeta Barrios de Chamorro as its presidential candidate, after having won the elections, UNO legally disappeared.

Our electoral laws allow party alliances solely to participate in elections. Once the elections are over, the alliance ends and the political parties that formed it recover their full status as free and independent parties.

We are also aware that, perhaps as a phenomenon of political inertia, the opposition voters who formed UNO and stopped being the opposition have shown signs of wanting to remain united in some manner. They have seen the need to be alert to prevent their will from being trampled. That is why UNO has been maintained. It is no longer the opposition, but rather a sui generis political alliance that expresses itself basically on the need for its deputies to act coherently at the National Assembly.

We have also seen that a group of the UNO parties have rallied around Vice President Virgilio Godoy, and that members of the UNO Political Council, in a somewhat disguised or covert manner, have been confronting the policies of the president and her cabinet ministers.

Some people have warned that Virgilio Godoy's position as president of the UNO Political Council, and even worse, his attempts to give certain orders to the deputies of UNO parties, have only served to create an image of division and confrontation between the executive and legislative branches. These confrontations in no way help the general policy of the government, and have only served for the Sandinists to increase their policy of division and to profit from this situation. There should be only one solid group behind Violeta's government program, which was drafted by UNO.

Lately, we have learned of efforts by well-meaning politicians in the UNO Political Council to overcome this embarrassing situation, which casts doubt on the political ability of those who maintain an attitude of confrontation with the president. We praise those efforts. We encourage them and sincerely hope that the Political Council will be restructured to attain its true nature, avoiding all perturbing factors that affect the solid unity UNO should have in support of our president.

Although that is our position, we must frankly say that the sinister speculation by EL NUEVO DIARIO, and the somewhat timid statements in BARRICADA referring to a plot headed by Virgilio Godoy and Miriam Arguello, president of the National Assembly, to overthrow Violeta's government are most ridiculous and are only intended to provoke more division and distrust in UNO to seek political benefit for the FSLN [Sandinist National Liberation Front]. We really do not believe that the mentality of these politicians, however mistaken, as shown by their latest actions, has deteriorated to such an extent that they would resort to illegal and criminal methods to try to overthrow the government they helped put in power. Political passion, no matter how strong, does not need to reach such levels of hatred.

That is why we reject the allegations by EL NUEVO DIARIO and BARRICADA, that, like PRENSA GRAFICA and the Somozist NOVEDADES, only serve to fill the minds of their scant readers with senseless trash. The government is firmly supported by the will of the people. This support has not diminished one iota because every time the people get a chance to show their support for our president, they do so sincerely as befits their nature. The Nicaraguan people do not believe in lies. When they want something they express it sincerely.

Therefore, the Sandinist spokesmen are wasting their time, making up feverish conspiracies that do not exist and have never existed in the minds of their alleged authors. If they ever tried to overthrow the government, their efforts would be dashed against the affection the people have for Violeta that they are willing to express to the end.

FNT's Jimenez Reviews Chamorro's First 100 Days

PA0308193890 Managua Radio Sandino in Spanish 1930 GMT 2 Aug 90

[Interview with Lucio Jimenez, secretary general of the National Workers' Front, FNT, by unidentified reporter in Managua; date not given—recorded]

[Text] [Jimenez] Simply put, the only thing the government has been able to do in 100 days is leave people without jobs and institute a vengeful policy. Anyone who is remotely connected with the Sandinists is mistreated and dismissed—even those who voted for UNO [National Opposition Union] are mistreated and dismissed—because the government is clearly not interested in people's jobs. That is what we can clearly see from the past 100 days. The government is, according to government officials, interested in lowering the level of inflation, but the social cost involved is a mass dismissal of workers. We have seen it in negotiations that are currently under way in several economic sectors. Government officials claim that they are willing to refinance everything, provided that tens of thousands of workers are dismissed. We have stated that we are not willing to do this. It is not be the first time that they have signed an agreement and failed to fulfill it. They want us to dismiss workers en masse and then they will not refinance anything. They are trying to control inflation by sacrificing us.

[Reporter] Lucio, during the approximately 10 years that the Sandinists were in power, many workers of the Sandinist Central Organization of Workers [CST] criticized it because, they claimed, the movement was controlled by the Sandinist National Liberation Front [FSLN]. You explained that you could not launch belligerent actions against this government....[corrects himself] against the Sandinist Government, because it represented the workers' interests. Are you willing to continue to passively watch while workers withstand the same situation—perhaps more critically—with the new UNO Government?

[Jimenez] First, we have always been involved in the military defense of the revolution. It was a belligerent attitude, and that belligerent attitude has now become an economic struggle, simply because we are no longer at war and the country has received financial resources. We are prepared to belligerently continue to defend the workers' rights. The government must decide whether or not it will fulfill its pledges. If it does not fulfill its pledges, we will have social chaos.

[Reporter] There is talk about national dialogue, but national dialogue will logically lead to a national agreement. Are you willing to continue to sacrifice the vast majority of the people for the sake of bringing the country's economy out of its slump?

[Jimenez] Look, that famous dialogue....[changes thought] I think that the government is using it for publicity purposes because the dialogue would involve discussing economic policies. The truth is that we have been surprised by another devaluation. Another will surely follow in two days. The dismissals have continued. Teachers are being dismissed.

If we are expected to participate in the dialogue so that we can approve the government's policy, then it is not a dialogue; it is an imposition. That is why I insist: If the government is truly interested in negotiating and participating in dialogue, it should control its unpopular policies and discuss them with the people. I do not believe we have any reason to participate in the dialogue, because the policies are being implemented and the government continues to impose its position and its unpopular policies.

[Reporter] In previous actions you used the strike as a means to exert pressure on the government. Now you say that the government is not abiding by the agreements it signed. What will you do now? What actions will you carry out to force the government to fulfill its agreements?

[Jimenez] We have already said that we are prepared to carry out all necessary forms of struggle even though the government does not like the strike, the barricades, and the form of struggle we have implemented. The government will be responsible if it does not fulfill its pledges and if it does not really sit down to discuss the problems—in this case its economic policy. We are prepared to carry out all necessary forms of struggle.

FNT Leader Announces Call for Another Protest

PA0308212490 Managua Domestic Service in Spanish 1815 GMT 3 Aug 90

[Text] In an attempt to blackmail the government of Violeta Chamorro, which just turned 100 days old, Sandinist labor leader Lucio Jimenez today announced a call for another great civic struggle of the self-styled National Workers Front [FNT].

When asked if this protest will become a new strike with barricades on the streets, which are the actions used by the pro- Sandinist forces to blockade every government effort to overcome the economic crisis, Jimenez responded: "We already see signs of a strike, although we would prefer to negotiate before taking such a big step." The controversial Sandinist leader added that the FNT's Rank and File Committees [Comites de Estructuras Nacionales] are engaged in preparing the conditions for the national protest against the Chamorro government.

Meanwhile, the pro-Sandinist Association of Agricultural Workers has threatened to spread the takeover of private estates in the country unless the government orders the removal of 132 members of the Nicaraguan Resistance, who they say have settled in agricultural cooperatives in Rio San Juan Department.

Cosep Leader Says Disturbances 'Drawing Near'

PA0408012790 Managua Radio Catolica in Spanish 2315 GMT 3 Aug 90

[Text] Gilberto Cuadra, president of the Cosep [Higher Council of Private Enterprise], in a meeting with businessmen this morning denounced that a third round of disturbances by the Sandinists is drawing near.

Cuadra told the businessmen, who were meeting at the (?Bambana) Restaurant, that there has been a rapprochement between the government and Mrs. Violeta Chamorro as well as with Cosep. He said that the disturbances can be faced by the government with advice from Cosep.

Government Announces Pay Raise for Employees

PA0408035490 Panama City ACAN in Spanish 0058 GMT 4 Aug 90

[Text] Managua, 3 Aug (ACAN-EFE)—The Nicaraguan Government announced today a pay raise of between 40 and 60 percent for government employees during this month, with the payment of part of their salaries in the new currency, the "gold cordoba," which will be on a par with the U.S. dollar.

During a news conference today, Labor Minister Francisco Rosales announced that government employees earning monthly salaries of 20.75 million cordobas ($37) will have their salaries increased to 33.2 million cordobas ($59).

Government employees earning between 20.75 million cordobas ($37) and 40 million cordobas ($71) will receive a 60-percent pay raise during the month. He explained that those earning more than 40 million will receive an "across the board" raise of 24 million cordobas ($42 dollars)

The minister said that those who earn 32 million cordobas will receive their full pay in "gold cordobas" beginning 13 August.

Rosales also said that those employees whose salaries have been increased to more than 32 million cordobas will receive their pay raises by 24 August, at the latest.

Meanwhile, Francisco Mayorga, president of the Central Bank, said that each government employee will receive in his August pay 50 "gold cordobas" and the rest of his salary in "chancheros (old Sandinist cordobas), which have the inflation virus."

According to Mayorga, with the partial payment of the government employees' salaries in the new currency, which began arriving in Managua today from an unspecified country, the government will substantially reduce inflation, which in July reached 62 percent.

The president of the Nicaraguan Central Bank said that the government will pay out 3.5 million "gold cordobas," which will be on par with the U.S. dollar. According to him, it will gradually replace the old cordoba put into circulation by the Sandinists.

According to Mayorga, the buying power of the new currency will be "strong and stable" and "not be devalued like the old cancerous cordoba."

Mayorga Blames High Inflation Rate on Sandinists

PA0408215690 Mexico City NOTIMEX in Spanish 1845 GMT 4 Aug 90

[Text] Managua, 4 Aug (NOTIMEX)—The inflation rate in Nicaragua has exceeded the 1,500-percent mark, although the government expects that the circulation of the new currency at par with the U.S. dollar and the reduction of the fiscal deficit will help bring the situation under control. According to a report by Central Bank President Francisco Mayorga, the inflation rate in July was 63 percent, and the accumulated rate for the year reached 1,524 percent.

The financial authorities' goal for July was a 35-percent inflation rate, which was not possible because "of sabotaging by Sandinists," Mayorga charged. In the first three months of Violeta Barrios de Chamorro's government, two general strikes by public employees paralyzed the country, causing losses over $50 million. Mayorga, the recovery program's chief architect, voiced optimism over the viability of his plan and noted that "the damage caused by the strikes is great but not irreparable." The gold cordoba, the cornerstone of the "Mayorga Plan," will at last be put into circulation on 13 August, with the payment to public employees.

The official issuance of gold cordobas will be limited to $3.5 to $4 million, in bills of 50, 20, and 10 gold cordobas so that the shortage of this currency reinforces its strong image. Some 68,000 public employees will receive an average of 50 gold cordobas, which will partly serve to pay for the average salary increase of 60 percent ordered by the government.

Mayorga guaranteed the currency is solid and said the "gold cordobas that circulate on the streets will be backed dollar for dollar with the Central Bank's reserves." However, the black market is already the setting the value of the gold cordoba at two or three dollars.

On the other hand, it has been possible to reduce the fiscal deficit by almost 50 percent from 25 April, Finances Minister Emilio Pereira indicated. He said the fiscal deficit now totals $13 million, compared to $25 million at the end of April. Narrowing the gap between government spending and revenues has been achieved thanks to the fiscal reform—which has increased tax revenues—and thanks to a real reduction of approximately 53 percent in defense spending, Pereira added.

Economy and Development Minister Silvio De Franco launched "a nationwide campaign to fight inflation that will help destroy speculation and unjustified sharp increases in prices." "The next two or three months will be crucial to fighting inflation, which is the worst tax one can levy on the people. We will not resort to such measures as price controls; instead, we will try to persuade people not to abuse the situation through unjustified price increases," the official added.

Chamorro Receives Drill Donation From UNICEF

PA0508004690 Managua Domestic Service in Spanish 1815 GMT 3 Aug 90

[Text] Nicaraguan President Violeta Barrios de Chamorro today received from UNICEF a high-tech water well drill, which can drill a well in eight hours. During her closing speech at the Venezuela neighborhood in Managua, Mrs. Chamorro asked the people of Nicaragua for faith and understanding. She said that 100 days are not enough to put right the 60 years of dictatorship the Nicaraguan people have undergone—50 years under Somoza and 10 years under the Sandinists. Chamorro criticized those who oppose the government despite being guilty of theft under the previous administration. Mrs. Chamorro praised the UNICEF donation and countries, such as Switzerland and Sweden, who donated the modern drill, before the workers and the U.S. and Soviet ambassadors attending the ceremony. Let us listen to Nicaraguan President Violeta Barrios de Chamorro:

[Begin recording] [Chamorro] I thank my friends who represent UNICEF, thank the Swiss and Swedish Governments, and also thank the Soviet and U.S. ambassadors who are accompanying us and contributing with their little grain of sand to help our fatherland. Thanks too to these young men who will now operate this marvelous machine. You are to take care of it as if it were gold because you will be supplying water to the children in all the remote areas of the country. You have to take better care of this machine than if it were a silk handkerchief. [laughs] Things that are not cared for become ruined.

I want to tell you something. A little while ago I was asked.... [changes thought] Let us talk about various topics. Here is my friend Panchito; sometimes he changes things around a bit. As I was saying, I was asked how I see my plans and if things are working out. I believe we are doing all right. My country has been left in such a state that it cannot be put right overnight following the Somoza and Sandinist dictatorships—I want all Nicaraguans to understand this, not only those who are here. Believe me, we do not have a magic wand.

I want you to sit down and look at what was left after 10 years. The country is destroyed. Drinking water is more contaminated than in the past, but thanks to UNICEF's aid and the help that many countries are going to give us to clean Lake Managua and other places—we have plenty of lakes and volcanoes—we are going to have more potable water. We cannot rebuild our country unless friendly countries help us out. Following the 10 years of this last dictatorship, plus 50 years of the Somoza dictatorship, Nicaragua has been left in ruins.

There is something I want you to have clear in your minds. We have had a democratic government in power for three months, in which you can speak out and criticize as much as you like. How often were you allowed to criticize the previous Sandinist government? We had the newspaper LA PRENSA shut down for many years because we criticized. Not now. Now everyone has a right to criticize and speak their minds. Put your hand on your heart, because we must all be Nicaraguans. Many Nicaraguans are returning home. Why do they return? Because they want to be and work in their own country, because they feel confident and free with my government. If they did not feel that way they would not return. Those who do not feel confident have a right to leave. Let us see who receives them. When there is freedom, one should be in his fatherland. I ask for your trust; I put great trust in God.

We Nicaraguans are not going to resolve our problems on our own, we need aid from UNICEF, the Soviet Union, the United States, Venezuela—help from everywhere in the world. As I have always said, right now we have to live on (?charity) and afterward be grateful for the outcome. What will the result of this beautiful machine be, which is giving us water right now for the Venezuela neighborhood school?

The children will no longer be ill. Very soon we will have more medicine; we will no longer be faced with diarrhea and all of the ugly things that happen when there is no water. Water is a vital element, and we have this little machine now, which I describe as a little golden machine; it is better, perhaps, than the gold cordoba that has prompted so much criticism against Dr. Francisco Mayorga. However, the gold cordoba will succeed. Please be confident. [applause]

I was asking my dear, old friend Roger Mendieta, who is currently the administrator and director of INAA [Nicaraguan Water and Sewage Institute], where this machine will be sent. He told me that it will be sent to Chontales, Matagalpa, and [addressing someone] where else? Pardon me, and Esteli Departments. Very well. There is no water in all of these places. Therefore, the machine will gradually be sent from one place to another, and I hope that the friendly countries that have donated the machine—Sweden and Switzerland—will not only donate one machine but many more. Why? Because we are a country that needs everything; however, it is worse to receive nothing. I am grateful and am asking you for a round of applause for all of the countries which, with goodwill, are helping Nicaragua. [applause]. We must have faith and confidence in God. We must be thankful to all who are helping us at this time to rebuild our fatherland, which was bankrupt.

Is it that you have not taken note of the robberies that have taken place in this country, or is it that you have not been informed of them? Very well. I know about them. Thanks to all you, my dear friends, and I also congratulate all of these young men who will go from one place to another with the machine. They will be working in favor of the children's health. Where is my doctor?

Here is [Health Minister Ernesto] Salmeron, who has worked continuously over the past three months to improve the health situation and help the children with the resources that friendly countries have contributed. We did not have a single aspirin left. [words indistinct] if there was aspirin or not, if there was any anti-diarrheic or anti-spasmodic medicine, there was none. We are only now beginning to find a few things. How? Through the donations that we are receiving. Therefore, I repeat, you must be confident. Let us wait a little.

[Audience member] [words indistinct]?

[Chamorro] You will soon have it. You must tell the doctor that you will soon have it.

[Audience member] [words indistinct]?

[Chamorro] Then I must speak with Silviano Matamoros [not further identified].

[Audience member] We agree [words indistinct]?

[Chamorro] My dear, you will have medicine. Okay; do not despair. Despair is the worst thing and it leads to ugly things. You will have medicine. I will tell Dr. Matamoros that there is water here, and you will also have medicine.

Thanks to all of you, thank you very much. [end recording]

Police Confiscate Weapons in Managua

PA0508190490 Managua Radio Sandino in Spanish 1300 GMT 5 Aug 90

[Text] Subcommander Ernesto Zamora has reported that hundreds of weapons have been confiscated by the Sandinist Police in various areas of Managua, including at 15 enterprises. Subcommander Carlos Bendana, chief of Police Station No. 2, said that 310 weapons of war were confiscated in his area. These included 15 grenades and six RPG-7 rocket launchers. Most of the weapons were found in such state enterprises as INAA [Nicaraguan Aqueducts and Sewage Institute], the refinery, [words indistinct].

* Carlos Carrion on Democratization, Strategy

90CA0074A West Berlin DIE TAGESZEITUNG in German 2 Jul 90 p 13

[Interview with FSLN [Sandinista National Liberation Front] official Carlos Carrion, former mayor of Managua, by Bert Hoffmann; place and date not given: "There is a Pact Between the Sandinistas and Violeta Chamorro"]

[Text] [DIE TAGESZEITUNG] It has now been four months since the shock caused by the election. The first "National Assembly" of the FSLN [Sandinista National Liberation Front] since the defeat took place a few days before you flew to Europe. What is the "Sandinista project" supposed to look like in the future?

[Carrion] An internal democratization of the FSLN will take place on all levels and in all organizational bodies. And we have moved up the date of the planned big FSLN party congress—by the way the first in its history—to February 1991; the Sandinista program for the future is to be redefined there—based on a comprehensive analysis not only of the election defeat but also of the experiences of the entire 10 years and of the changed situation in the world.

[DIE TAGESZEITUNG] Democratization of the FSLN—does that mean that the nine commandants of the "National leadership," who have led the Sandinista Front since the guerrilla warfare against Somoza without any change in its membership, will have to face an election?

[Carrion] Yes. At this party congress the members of the "National leadership" will also be elected by the grass roots. And even before that the local and regional FSLN leaders will be elected by the grass roots.

[DIE TAGESZEITUNG] The smooth transfer of the government to the victorious right, Daniel Ortega's photogenic embrace of Dona Violeta, the continuance of Humberto Ortega at the head of the army—all this has led many observers to speak of a "cohabitation," a kind of divided governmental responsibility of FSLN and UNO [National Opposition Union].

[Carrion] There were many arguments in the FSLN over the concepts of "constructive opposition" or "cohabitation." Some have charged those who did not want to overthrow the government immediately with being "deal makers" or—to use the fashionable invective at that time—Social Democrats; and the others called all those who demanded an unyielding fight in opposition to this government irresponsible fanatics. But the discussion and also the result of the "National Assembly" have shown that in reality the positions are not that far apart. There is no "cohabitation" with Violeta Chamorro, no "pact." What is really at stake is to conduct an unyielding policy on behalf of the people that will reunite the people who are split between Sandinistas and UNO voters. The aim is to show the people that this government is its enemy and that the FSLN stands on the side of the people.

[DIE TAGESZEITUNG] But in recent weeks voices have been heard—even from the circle of the nine FSLN "commandants"—who regarded an alliance with the moderate parts of the bourgeois camp around Violeta Chamorro really as a medium-term position for the Sandinistas.

[Carrion] Yes, there are people in the Front who really believe in a modern bourgeoisie. But the view of the majority—and that was the consensus at the National Assembly—is that the "moderates" around Violeta, just as the "hardliners," want the destruction of the FSLN, the elimination of the popular movement. The difference lies only in the how and when. The people around the president are more interested in peace and stability. That does not make any difference to the people in

Miami, they want to return to a situation exactly as it existed before 1979 under Somoza.

[DIE TAGESZEITUNG] But the FSLN has repeatedly stated that it does not want to destabilize the new government. But isn't this necessarily going to bring the FSLN into conflict with the demands of the people—for example in the case of strikes or protests?

[Carrion] We have said: Our goal is not the immediate destabilization of this government by force. We do not want to provoke any crisis. But this does not mean that we are going to backtrack in any way with respect to the struggle of the masses. If the government conducts a destabilizing policy, the country will also be destabilized. But in this connection it is fundamental for us that this does not appear to be a result of an FSLN initiative but a consequence of the measures taken by the government.

[DIE TAGESZEITUNG] How does such an "unyielding opposition on behalf of the people" come to terms with a rightist government that has been elected for the next six years?

[Carrion] If we wanted to overthrow this government now we would only need 6 police detachments to arrest the ministers. But that would, of course be no solution at all. Rather what is at stake for us now is to regain the support of the people. If we succeed in changing the ratio of forces, all options, all alternatives will be open to us.

But: Overthrowing Violeta in 1990 is not the same as overthrowing Somoza in 1979. Violeta has international support, she has come to power by elections, she has prestige, etc. First the government must lose its prestige, it has to look like a reincarnation of the Somoza regime, like a monster and dictatorship before the path to a rebellion, to force is legitimized. But there are also constitutional paths that may open up in the case of a national crisis. The Sandinista Front will assume governmental responsibility only as a consequence of great social unrest, if the FSLN can count on the support of the masses and can dictate the conditions for its participation in the government.

[DIE TAGESZEITUNG] Thus the purview for reclaiming the government is not necessarily only for the 1996 elections?

[Carrion] Yes, that is so. As I see it, sometime during these six years a severe social crisis and the political collapse of the government has to take place so that a national political consensus will be reached that will make moving up the election date possible.

[DIE TAGESZEITUNG] A question concerning the FSLN itself: The Sandinista Liberation Front came into being as an armed guerrilla vanguard and was a cadre party with about 2,000 members only. With the internal democratization, is the FSLN also going to be transformed into a party of the masses open to all?

[Carrion] Following the triumph over the Somoza dictatorship the party was organized not so much to convince the people politically but rather to mobilize as well as possible an "already convinced" people for the tasks of the revolution. The conditions are now completely different. Following the elections the paid party machine was considerably reduced, to about one-tenth... Many comrades returned to mass organizations which were greatly strengthened. Now we have opened the doors to all who want to join the FSLN. For whoever joins the Sandinista Front now is definitely no opportunist who seeks advantages or privileges. On the contrary, he risks much.

[DIE TAGESZEITUNG] The FSLN is changing—and this week Daniel Ortega travels to Helsinki to the meeting of the Socialist International. Thus far the Front has held observer status with the international of the Social Democracy. Speculation has it that Ortega will now apply for full membership of the Sandinistas.

[Carrion] No. Actually the party congress will decide on that. The grassroots of the Sandinista Front would not accept such a step without a thorough debate beforehand.

The problem is: Prior to the revolution the FSLN—apart from the solidarity committees—was not heard or received anywhere. We cannot go back to that. We must play an active role on the world scene and in that respect the Socialist International is important to us. If we can do that with our observer status—great. If we have to become a full member, then we have to consider carefully the extent to which this entails ideological or political conditions for the FSLN.

Panama

Government Condemns Invasion of Kuwait

PA0408002390 Panama City Circuito RPC Television in Spanish 2357 GMT 3 Aug 90

[Text] A communique released by the Panamanian Government in the last few hours says that the Panamanian Government condemns the Iraqi invasion of Kuwait because it is an act of force that violates the most basic principles of peaceful coexistence and respect for a country's integrity. The Foreign Ministry communique says that the Republic of Panama believes that the immediate withdrawal of Iraqi occupation troops from Kuwait is necessary.

DRP Fails To Locate Noriega Documents

PA0508182490 Panama City LA ESTRELLA DE PANAMA in Spanish 4 Aug 90 pp A-1, A-2

[Text] The controversial documents of ousted General Manuel Antonio Noriega, the heart of a conflict between magistrates of the Directorate for the Recovery of State Property [DRP] and the U.S. Armed Forces, were not found yesterday when a Panamanian commission sought to determine where they are being kept.

Deputy Foreign Minister Raul Mulino yesterday told the press that the commission members did not gain access to the documents because they could not ascertain where they are kept.

"We were unable to find where they are kept," he said. "We found it difficult to determine their location," he noted.

Mulino explained that when they finally arrived at the documents' location, it was too late; therefore, they are planning to return on 10 August.

The documents, seized by the U.S. Armed Forces during the 20 December invasion, are kept in 15,000 boxes on Albrook Air Base in the custody of the U.S. Government. These documents contain political, economic, and military information controlled by Noriega's regime.

Meanwhile, President Guillermo Endara G. and Michael Kozak, deputy secretary for inter-American affairs, met to discuss various "aspects of interest to both nations." U.S. Ambassador Deane Hinton participated in the meeting.

It was disclosed that Kozak heads a delegation that is negotiating an agreement for legal assistance on crime investigation, administration, and prevention with the Endara government.

Kozak also met with Foreign Minister Julio Linares and Attorney General Rogelio Cruz Rios. Linares explained that the objective of the agreement is for the parties to help each other with evidence and testimony for legal proceedings against persons under investigation.

However, the National Bar Association feels that if the agreement in question is signed, it would mean the end to our country as a "fiscal paradise."

Minister Ford Asks Labor Leaders To Be Honest

PA0308202690 Panama City LA PRENSA in Spanish 3 Aug 90 p 1

[Report by Nubia Aparicio S.]

[Text] Guillermo Ford, planning and economic policy minister, yesterday urged Conato [National Council of Organized Workers] leaders to act honestly by reporting to the citizens all that transpired during a 27 July meeting to let the people know, once and for all, who is speaking the truth.

Ford said that on 27 July he met with the top leaders of representative labor groups, including Conato, to discuss the "National Economic Development and Modernization Strategy."

In a letter addressed to Conato Coordinator Jose Antonio Parra, Minister Ford said that "during that meeting, we clearly underscored the advisability of drafting a completely Panamanian economic program and, with that goal in mind, we have been holding bilateral meetings with representative groups of the national economy."

The letter added that during that meeting we also discussed issues pertaining to our goal of defining new courses for the national economy for the sake of the well-being of all Panamanians.

In referring to a resolution that Conato sent him two days ago, Ford pointed out that it is not in keeping with the truth, because paragraph three states that "in assessing the Mippe [Ministry of Planning and Economic Policy] document, Conato has confirmed that it is not being presented to engage in consultations with the various segments of the Panamanian population, but merely for information purposes and to implement an agreement already signed with the United States on 3 July 1990, as stated in Official Gazzette no. 21,581 dated 17 July 1990."

Ford said that Conato's claim is false because we emphasized to all groups "with which we have met, including Conato, the need for the economic plan to not only help in implementing an internal plan to restructure the national economy, but also to help the country requalify for loans from international organizations."

"I categorically reject the arrogance and rudeness of paragraph one of the document's operative part, because the government headed by His Excellency President Guillermo Endara Galimany is a serious government that has never and will never reach agreements behind the backs of the Panamanian people," Ford pointed out.

He added that "it is regrettable that certain groups that were nursed by the dictatorship are now claiming to defend the entire labor sector, which I deeply respect; however, the resolution's operative part shows disrespect for the 150,000 unemployed people because Conato offers little or nothing for them."

Ford pointed out that a copy of the document known as "National Economic Development and Modernization Strategy" was handed to all organized groups on 15 June, but the first donation agreement between Panama and the United States was signed on 3 July 1990.

The full text of Minister Ford's letter mentioned above will appear in tomorrow's issue.

PDC Calls for Changes in Endara Government

PA0308185690 Panama City Circuito RPC Television in Spanish 1730 GMT 1 Aug 90

[Text] The leadership of the Christian Democratic Party [PDC] has asserted in statements following a meeting over the weekend at Coronado that the government of President Guillermo Endara requires urgent changes.

Ricardo Arias Calderon, first vice president of the republic and top PDC leader, stressed that the PDC reasserted its support for the government at the meeting but said, nevertheless, that the transition from dictatorship to democracy must be completed with some necessary changes in the national Constitution.

[Begin Arias recording, in progress] ... a second transition, a transition from military-style security to police-style security; from security under full state control to security that society provides for itself by sharing the task of providing it. [end recording]

Turning to economic matters, Arias said that a transition from a statist economic model based on public borrowing to a pluralist economic model is taking place.

[Begin Arias recording] We will support anything that means continuing along the path to full democracy. We will oppose anything that does not involve progress along that path, and we would only consider withdrawing from the government if we reached the conclusion that the transition toward full democracy has lost momentum. We are convinced that that momentum has not been lost. [end recording]

Endara Files Libel Suit Against Professor

PA0308140290 Panama City Circuito RPC Television in Spanish 2300 GMT 2 Aug 90

[Italicized passages are recorded]

[Text] President Guillermo Endara Galimany, during a news conference this afternoon, announced the adoption of security measures for Comptroller General Ruben Dario Carles, whose residence was attacked this morning. The president also referred to the libel accusation presented this morning against Professor Miguel Antonio Bernal.

[Endara] *As you all know, I am a defender of freedom of expression. I believe that there should be no restrictions on expression. Everyone should be able to express his opinions freely, subject only to the responsibility that those expressions carry. If in exercising the right to expression you tresspass someone else's rights, either by slander or libel, you are guilty, and in my opinion, should be accused of libel and slander.*

That is why today I presented charges against Professor Miguel Antonio Bernal because he insulted the President of the Republic, and an accusation of that action should be made, according to the law.

President Galimany also referred to criticism against him by some legislators for vetoing the law on school lunches.

[Endara] *I must tell you, in the first place, that this law already exists. The only thing this new law did was to add to the law existing since 1951—the system of the instant lottery. We suspended the instant lottery as soon as we assumed power, because, in the first place, we knew that the people had rejected the instant lottery. In the second place, we do not want to subject the people to more gambling. I must say that this law creates an autonomous institution within the State, adding one more to the many we have, and we do have too many.*

The Law of 1951 creates a board of trustees, which is not an autonomous institution. It can operate perfectly as a board of trustees. However, the creation of an autonomous institution is against the Constitution, because according to the Constitution the only one who can create autonomous institutions is the executive branch—and not the legislative branch. Therefore, I must defend the executive branch's prerogatives, just as the legislative branch defends its own. They can not exercise an initiative that belongs to the executive branch.

I must also say that school lunches are covered by the Law of 1951. I have instructed the minister of planning and economic policy and the comptroller general to include in the next budget the allotment so that we can fulfill this priority duty of the state, which is to feed the school-age children who are hungry because their parents are unemployed.

President Endara referred to the criticism leveled against him for the lack of authority in the country. He said that the transition from a military to a civilian government should be handled carefully to safeguard the people's interests.

[Endara] *I believe that I have fulfilled that mission. I also believe that I can prove, and I will prove this when the time comes, that I can have the firm and strong hand needed by Panamanian democracy.*

Church Document Criticizes Government Leadership

PA0408010490 Panama City EL PANAMA AMERICA in Spanish 3 Aug 90 p A-1

[Report by Maricarmen Sarsanedas]

[Text] The Panamanian Catholic Church issued a statement yesterday on what it termed internal struggles for spaces and influence in the government, a lack of leadership and definition by the authorities, delay in the implementation of justice, and U.S. interference in Panamanian affairs in a pastoral letter entitled: "Together Let Us Build the Future of Panama."

The document, presented by the religious authorities headed by Monsignor Marcos McGrath, states that "Panama demands the U.S. Government respect the integrity of its territory according to the common principles of international law, that the Panamanian State must be autonomous in making decisions concerning government policies, and that the U.S. military presence outside of the areas defined by the canal treaties cannot be justified."

Also, the church termed "tardy and insufficient" the U.S. aid to Panama, which, according to the document, "reflects insensitivity to the people's suffering."

The church reiterated its position on the right to restitution of the heirs and relatives of persons killed in the wake of the invasion, and notes that all of these humanitarian and nonpolitical demands deserve its firm support.

Also, the church notes that, out of concern for common welfare, one can see "the resurgence of old vices of the struggle for political spaces, which detracts from the credibility of the government leaders."

The document also criticizes the fact that after six months of government work one cannot cannot see a clear leadership on the part of the government leaders, who are leaving too much up to civic clubs and private enterprise, as if the government had renounced its right to stimulate, orient, and coordinate national life with a view to the common welfare.

Asked about the document, President Endara said the church's opinions are "totally unfounded," noting that "they were perhaps influenced by rash opinions."

President Endara declined to give another opinion on the church document because he said he was not aware of its content.

Ship Carrying Nuclear Waste Said Not Harmful

PA0608023890 Mexico City NOTIMEX in Spanish 0118 GMT 6 Aug 90

[Text] Panama City, 5 Aug (NOTIMEX)—The U.S. ship "Pacific Soundpiper," which is carrying a load of 65 tons of nuclear waste, did not transit the Panama Canal today enroute from Japan to Europe, as had been announced earlier.

Local ecology groups that had expressed their opposition to the ship's transit, gathered on the canal's shores for more than six hours.

Panama Canal and Endara government authorities have maintained "strict confidentiality" concerning the timetable for the ships transit; the ship belongs to the "Pacific Nuclear Transport Limited" company.

Nevertheless, canal employees informed the press that the ship "will transit, it must transit, because other ships with this type of cargo have done so in the past."

The "Greenpeace" international ecological organization announced on 2 August that the ship was scheduled to transit the Panama Canal, and asked the U.S. and Panamanian Governments to prohibit its transit.

On 3 August the Panamanian Foreign Ministry announced that the ship's cargo "does not represent any danger," an opinion that was shared by Panama Canal Administrator Fernando Manfredo.

Lorenzo Mora Murgas, leader of the Labor Group for the Protection of Panama's Ecology, told NOTIMEX that a nuclear waste accident "would render the canal useless for over 200 years."

Sara Larrain, "Greenpeace" coordinator for Latin America and the Caribbean, expressed concern over the "mysterious" manner in which the authorities have dealt with the ship, adding that in the United States the transportation of nuclear waste has been suspended since May 1989.

Argentina

Menem Will Not Mediate Between Spain, Cuba

PY0308211290 Madrid EFE in Spanish 1819 GMT 3 Aug 90

[Text] Buenos Aires, 3 Aug (EFE)—Argentine Foreign Minister Domingo Cavallo today explained that President Carlos Menem "will not formally mediate" in the conflict between Spain and Cuba over the presence of Cuban refugees at the Spanish Embassy in Havana.

Cavallo told foreign correspondents that "the president has merely expressed his willingness to help in a reconciliation between the two countries which are aware of Argentina's desire for a solution to the conflict."

Cavallo explained that Menem "has always expressed his willingness and the Argentine interest in achieving rapprochement between Spain and Cuba."

The Argentine president "has always expressed his willingness to help in solving conflicts among friendly countries, but this is a personal position that does not necessarily imply a diplomatic negotiation," Cavallo explained.

Cavallo added that Menem wanted to hold an informal talk with Fidel Castro during the inauguration of Peruvian President Alberto Fujimori, but the meeting did not take place because the Cuban leader did not travel to Lima.

The foreign minister added that, from Lima, Menem held a telephone conversation with Felipe Gonzalez, the head of the Spanish Government, and at the same time, through the Argentine Embassy in Havana, expressed the Argentine Government desire for a solution to the Spanish-Cuban conflict.

"Argentina is willing to help, but there is no formal mediation underway," Cavallo said. He added that "the best way to cooperate is by not setting positions or advanced details of possible negotiations."

Cavallo: Menem, Collor To Meet Bush 29-30 Sep

PY0308172490 Buenos Aires TELAM in Spanish 1418 GMT 3 Aug 90

[Text] Buenos Aires, 3 Aug (TELAM)—Foreign Minister Domingo Cavallo has not ruled out the possibility that U.S. President George Bush, Argentine President Carlos Menem, and Brazilian President Fernando Collor de Mello may discuss in New York on 29-30 September the creation of free trade zones at a continental level as a step prior to creating an Americas common market.

In remarks at Government House, Cavallo said this meeting will be held within the UN General Assembly, which will consider issues concerning the rights of children. If conditions are appropriate, progress could be made on the subject of free trade zones.

Cavallo conditioned, however, the discussion of the free trade proposal to the presence of Uruguayan President Luis Lacalle, who has not yet decided if he will go; and to the three South American presidents being "prepared to sign an agreement to start negotiations with the United States regarding the Bush proposal."

Cavallo noted that economy and foreign ministers of Argentina, Uruguay, Brazil, and Chile discussed the Bush initiative on 1 August "and we positively reacted toward a joint negotiation regarding that proposal."

He said that Argentina, Brazil, and Uruguay will give "a definite response" to the Bush initiative. He added that "Chile is also willing to join the common market, but it still needs some time to make a final decision because its tariff system is different from those of the three other countries. [quotation marks as received]

Cavallo added that the idea is to extend an invitation to Paraguay "to join this integration effort" and thus form a Southern Cone common market which will be the third subgroup within the Latin American Integration Association. The other two subgroups are the Andean Pact and Mexico.

Finally, Cavallo said that these three subgroups will form their respective common markets, "which in the future could come together considering the great dynamism that characterizes the integration efforts in Latin America."

Menem To Attend Colombian Inauguration 6-7 Aug

PY0608010690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2000 GMT 5 Aug 90

[Excerpt] Buenos Aires, 5 Aug (NA)—Argentine President Carlos Menem will travel to Colombia on 6 August for a 48-hour official visit during which he will attend the inauguration of Cesar Gaviria Trujillo, Colombia's new constitutional president.

Although no official information has been released, Menem will take advantage of his stay in Bogota to meet other continental leaders, especially Panamanian Vice President Guillermo Ford.

Menem will travel with Foreign Minister Domingo Cavallo, Argentine Ambassador to Colombia Hector Sainz Ballesteros, Presidential Press Secretary Fernando Niembro, and other presidential aides. The president and his entourage will depart for Colombia directly from La Rioja at 0930 [1230 GMT] on 6 August. [passage omitted]

Cavallo Opposes Economic Sanctions on Iraq

PY0308205890 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1950 GMT 3 Aug 90

[Text] Buenos Aires, 3 Aug (NA)—Foreign Minister Domingo Cavallo has rejected the idea of economic sanctions on Iraq for invading Kuwait. He said: "We do not believe it is appropriate to use this method in our international relations."

During a news conference with foreign correspondents, Cavallo said: "We do not speculate by taking advantage of situations that we deem negative, as is the case with this invasion, in order to obtain economic gains."

In 1980, Argentina ignored a call by Washington to implement a world blockade on grain sales to Moscow and, on the contrary, it increased its exports to that country.

"Our sales to the Soviet Union increased after a decision was made not to adhere to the grain embargo imposed by the U.S. Government" following the invasion of Afghanistan, Cavallo said.

Although he rejected the implementation of economic sanctions, the foreign minister admitted that "the political atmosphere between Argentina and Iraq will be quite negative following the decision by the Iraqi Government to invade Kuwait and the very clear condemnation that the Argentine Government, like the rest of the international community, has voiced."

The foreign minister emphasized that Argentina yesterday demanded "the immediate and unconditional withdrawal of the Iraqi forces to the positions they occupied on 1 August 1990."

The communique released last night pointed out that the Argentine Government "has received with great concern the news of the invasion and occupation of Kuwait by Iraqi military units. This action represents a breach of international peace and security and a serious disturbance of the region's political balance."

Japanese Officials Receive Reply to Okita Report

PY0408020290 Buenos Aires TELAM in Spanish 2104 GMT 3 Aug 90

[Text] Buenos Aires, 3 Aug (TELAM)—Foreign Minister Domingo Cavallo today delivered Argentina's answer to the suggestions contained in the "study on the Argentine Republic's economic development", best known as the "Okita Report," to Japanese Ambassador Yoshio Fujimoto.

Cavallo gave the document to Ambassador Fujimoto during a ceremony held at the San Martin Palace. The ceremony was attended by several Argentine Government and Japanese Embassy officials, and representatives of the enterprises and cultural organizations that link the two countries.

The Okita Report was drawn up between August 1985 and December 1986 by the Japanese International Cooperation Agency, presided over by former Japanese Foreign Minister Saburo Okita, pillar of Japan's postwar recovery, at the request of the Planning Secretariat headed by Bernardo Grinspun in Raul Alfonsin's government.

After his visit to Japan in late 1989, Minister Cavallo decided to answer the report, for which he started a series of talks with public and private enterprises that would be in charge of implementing the series of recommendations contained in the report.

The Foreign Ministry made up a compendium with all the answers received that will be used to establish the guidelines for future Japanese-Argentine cooperation.

The answers of the various public and private organizations reveal converging points of view regarding the report's main recommendations on the need to adopt measures designed to promote the opening of the economy, of various sectors of the productive apparatus.

Upon delivering the Argentine answer to the Japanese Ambassador, Cavallo stated that "the Okita report's ideas and recommendations will prove useful in the service of the ambitious and realistic objectives chosen by the Argentine Government."

Cavallo termed the report "a valuable contribution because it depicts the Argentine situation from Japan's point of view and grants us a scheme to base our future bilateral relations in the economic, commercial, and investment fields."

Later on during a chat with the media, Cavallo added that this answer "intends to be the guideline for our future relations and talks with Japan" and noted: "Central Bank president (Javier Gonzalez Fraga) has used it as the guideline for his talks in Tokyo."

Moreover, Ambassador Fujimoto noted the "praiseworthy concepts this answer has regarding the Okita report", and at the same time said: "We accept and acknowledge the existence of some disagreements regarding some specific recommendations contained in the report."

Fujimoto voiced his thanks to the Argentine foreign minister because the report that was drawn up by the previous administration, "had been neglected for some time but was revived by Cavallo after his visit to Japan."

The ceremony gathered numerous Foreign Ministry officials, as well as economists and businessmen, who agreed on the need to point out the importance of the report and its timely recommendations.

Among those present were Deputy Economy Minister Carlos Carballo, Economic Negotiations Secretary Juan Prol, Secretary for Technological and Scientific Under Secretary Raul Matera, economist Juan Aleman, and Planning Under Secretary Moises Ikonicoff, who asserted that the report "makes a very interesting evaluation of the country's potential and at the same time proposes strategies that go beyond the current situation, making long-term projections."

Government To Promote Pampa Plane in U.S., UK

PY0308230190 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1532 GMT 3 Aug 90

[Report by Daniel Santoro]

[Text] Buenos Aires, 3 Aug (NA)—The Foreign Ministry is looking into the possibility of parking a "Pampa" fighter plane, designed for advanced training, at Andrews Air Force Base in Washington in mid-September when President George Bush starts his tour of South America.

The idea is to try to get Bush to board the aircraft as part of a plan to promote the aircraft in view of the upcoming U.S. Government's call for bids for the purchase of 800 training aircraft for the U.S. Armed Forces.

At the same time, before Bush arrives, San Martin palace will try to "whitewash" the "Condor II" project, which the government decided to paralyze at the beginning of this year. The idea is to gather all documentation about this air vector [as received] to show the State Department that the project has peaceful purposes and is not designed to develop a missile.

Foreign Minister Domingo Cavallo recently met with Defense Minister Humberto Romero and Brigadier Jose Julio, chief of staff of the Air Force, to discuss the development of this high-technology project.

Enrique Candiotti, Foreign Ministry director for Nuclear and Disarmament Affairs, met in Washington with U.S. diplomats who suggested the need to create some sort of mechanism to verify the suspension of the "Condor II" project. Words alone are not enough in diplomatic talks.

It was also learned at the Foreign Ministry that the publicity strategy for the "Pampa" must be accompanied by an effort to lower its cost to $2.7 million.

Moreover, Argentina wishes to display the "Pampa" at Andrews Air Force Base, during the "Air Force Association" fair on 18-20 September which will be attended by many officials who will be in charge of awarding the bid for the purchase of 800 aircraft for the "JPATS" program.

The "Pampa" will also be displayed at the Fanborough Fair to be held between 30 August and 9 September in England with the same purpose as at Andrews. The "Pampa" will go to Fanborough despite the British refusal to exchange military attaches because the Argentine Air Forces' actions during the war over the Malvinas is still fresh in British memories.

The Foreign Ministry's haste lies in the fact that the bid for the 800 training planes, originally scheduled to be opened in February 1994 might be brought forward by one year. Undoubtedly, this multimillion-dollar contract keeps many Argentine officials awake.

Government Makes Third Payment to Creditors

PY0308180690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2235 GMT 2 Aug 90

[Text] Buenos Aires, 2 Aug (NA)—Argentina today paid creditor banks a third installment of $40 million according to information received by phone from a source of the Bank of the Argentine Nation in New York.

By paying this third installment the government has fulfilled a commitment with the committee of banks (steering committee) for the amortization of interest on the last normal expiration date.

NA was able to learn that this is the third interest payment of the foreign debt after a period of 26 months during which no payment was made.

This period began in April 1988 when the problems of the economic administration of Raul Alfonsin got worse and finally became a real crisis on 6 February 1989.

The payments were resumed 11 months after the beginning of the Carlos Menem administration.

Economy Minister Erman Gonzalez and Central Bank President Javier Gonzalez Fraga believe that the payment is very modest considering that the Argentine monthly interest on the debt is $300 million.

However, some people believe that the banks are being paid through privatizations by using foreign debt notes to buy state companies.

Gonzalez Fraga is in the United States to meet with members of the creditors committee. This is considered a routine meeting within the framework of the current negotiations.

Bolivia

Security Organizations Coordinate Quayle's Visit

PY0408015690 La Paz La Red Panamericana in Spanish 0000 GMT 4 Aug 90

[Text] The Auxiliary Air Navigation Services Administration, AASANA, together with the Bolivian Air Force security services, and the Bolivian police, will coordinate their work to guarantee the arrival of U.S. Vice President Dan Quayle. This report has been released by Captain (Samuel Arce), regional AASANA director, who said that an official report has been received from the Foreign Ministry confirming the arrival of the U.S. Vice President at 1000 [1400 GMT] on 7 August.

(Arce) added that the U.S. Embassy security service will also join this task.

[Begin (Arce) recording] Yes, the U.S. Vice President will be welcomed by the Bolivian vice president, by the ministers of state, and other high-ranking government officials. Quayle will arrive aboard his own private plane, which is one of the U.S. Air Force Planes [as heard], which will also be accompanied by two other planes that will park at the international platform sector. [end recording]

Congressional Authorities for New Period Elected

PY0308182290 La Paz Television Boliviana Network in Spanish 0030 GMT 3 Aug 90

[Summary] During a preliminary session tonight the Senate elected its authorities for the next legislative period which starts on 6 August. Gonzalo Valda was reelected president, Jorge Landivar was reelected first vice president, Jorge Barrientos Zapata was elected second vice president, Leopoldo Fernandez first secretary, Jose Luis Carvajal second secretary, and Jose Taboada third secretary.

During a separate session tonight Fernando Kieffer was reelected president of the Chamber of Deputies, Leopoldo Lopez first vice president, and Benjamin Miguel Harb second vice president.

Secretariat Cited on Visa Irregularities

PY0408170090 La Paz EL DIARIO in Spanish 26 Jul 90 p 1

[Excerpt] The Labor and Labor Development Ministry has verified that residence visas are being issued irregularly to foreigners, especially to Chinese [not further specified] citizens, by the Migration Secretariat, which falls under the the Interior Ministry. According to a classified report prepared by the Labor Ministry, the Migration Secretariat is "dispensing with the requirement of first issuing temporary and other visas for specific purposes, and directly issuing tourist and indefinite residence visas."

According to the report, the existence of five ghost companies reportedly registered at the Migration and Labor Department as independent has also been verified.

The national press recently reported the arrival in the country of hundreds of Chinese citizens who apparently met all legal requirements through the protection of the "ghost" companies and with the complicity of Bolivian officials. The Chinese citizens have reportedly paid $1,300 for permanent visas, which allows them to work normally in the country. [passage omitted]

Brazil

Collor Orders Radar System for Amazon Region

PY0408175690 Rio de Janeiro O GLOBO in Portuguese 3 Aug 90 p 5

[Text] Sao Jose dos Campos, Sao Paulo—Federal Police Chief Romeu Tuma yesterday said that President Fernando Collor de Mello has ordered that a radar system be installed on a priority basis to monitor the entire Amazon region, even at the cost of delaying other projects.

Tuma reported that the system, which will be completed in the medium term, will consist of large, medium, and small radar sets to enhance the monitoring of air traffic in the region. The Federal Police expect more effective action by police operation groups in fighting the drug trade and smuggling in the Amazon region.

The Federal Police want to initiate joint actions with other Amazonian countries like Peru and Colombia, which already have radar monitoring of their territory and are interested in setting up "a curtain" that will cover their borders. In Brazil the Navy, Army, and Air Force will support this surveillance effort, but without taking any further action in the fight against drugs and smuggling.

Tuma said that the monitoring system for the Amazon will include satellite data and aerial pictures supplied by a surveillance aircraft which will be equipped by the United States. This equipment will be donated to Brazil as part of a $250-million agreement.

A King Air aircraft will be equipped with aerial photogrammetric capability to detect traffic routes, ships, clandestine landing strips, laboratories for refining drugs, and coca and marijuana plantations.

By 20 August the Aeronautics Ministry will complete a project to establish a monitoring system for the Amazon region, a system designed to deter the drug trade and smuggling through national borders in the area. The plan will be drawn up by a special team on the orders of the president of the Republic.

Leaders Discuss Effects of Iraq-Kuwait Conflict

PY0308143290 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 3 Aug 90

[Text] Concerned about the possible consequences of an oil price hike that could affect Brazilian inflation, Itamaraty called a meeting to discuss the Iraq-Kuwait conflict. The meeting was attended by representatives of the Infrastructure and Economy Ministries and the presidency.

Iraq, Brazil's main oil supplier, has not renewed its weapon purchase contracts with Brazilian companies since the impasse caused by the Iran-Iraq war. In 1988, Iraq bought $53 million worth of goods from Engesa [Specialized Engineers, Inc.], and more than $51 million worth of goods from Avibras [Avibras Aerospace Industry, Inc.].

Itamaraty Views U.S. Call for Sanctions on Iraq

PY0408191090 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 4 Aug 90

[Text] The United States has requested the Brazilian Government's support in imposing economic sanctions on Iraq for its invasion of Kuwait. U.S. Ambassador to Brazil Richard Melton has asked Brazilian Foreign Minister Francisco Rezek to support a motion submitted by the U.S. Government to the UN Security Council that proposes harsh measures against Iraq for having invaded Kuwait, such as economic sanctions and the suspension of trade relations.

Itamaraty clearly stated that although Brazil condemns Iraq's attitude, it will watch the development of events in the Persian Gulf to see what position and measures it will adopt.

The Kuwaiti Embassy in Brasilia has sent a telegram to the Brazilian Foreign Ministry stating that there are 50 Brazilian citizens living in Kuwait, including three soccer coaches—Pedro Luiz Campos, Danilo Alves Pinto, and Walmir Logros. The Kuwaiti Embassy telegram states that it does not yet know whether the Brazilians were directly affected by the conflict or not. Many of them, however, have already contacted their families to report that they are all right.

Daily Analyzes Collor's New Foreign Policy

PY0308204390 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 31 Jul 90 p 3

[Notes and Information page: "The New Foreign Policy - I"]

[Text] President Fernando Collor de Mello says that he intends to bring Brazil into the First World—and he has done so, particularly with our first endeavors in industrial policy. In an interview he granted to our colleague Augusto Nunes, Foreign Minister Francisco Rezek reaffirmed the presidential intention with emphatic words: "When I leave government, I want to see that Brazil has been incorporated into the First World, and to have done so without severing links with historical partners and without abandoning other traditions of our diplomacy." Since the First World can be reached coming from different places and using different transportation means, it is advisable to examine the choices the Foreign Minister—following directives from the nation's President—is considering to get there.

To understand the foreign policy of the New Brazil, as well as the international acts inspired by that policy, one should first comprehend the spirit that moves the actions at the Rio Branco House [Itamaraty Palace]. Despite all that has happened in the world since 1945, that spirit is the same it was in the 1950's which was most personified by late Ambassador Araujo Castro. In a few words, the Collor government's foreign policy is inspired by the idea that the superpowers have always wanted to jointly hold world power. This vision is compounded by a definite distrust of U.S. intentions and a definite suspicion of the true purposes of perestroyka.

Judging by what Minister Rezek said at the Superior War College on 23 July, Itamaraty is not reconciled with the fact that Brazil and the Third World countries, or the "neutrals," are not taken seriously by the major powers. He then said: "Look at this example. The new relaxation of tension that is obvious between Washington and Moscow is on the one hand celebrated. On the other hand it can be observed, with concern, that the superpowers continue to prefer bilateral actions that excludes others—or, under the best assumption, prefer negotiations between military alliances—for issues related to strategic balance and world security. The large majority of nations are relegated to debating other issues—such as confidence-boosting measures, military budget reduction (at which the Collor government has proven to be a master), regional disarmament, openness about military information—that only have a marginal influence in determining the course and pace of the disarmament process on a world scale."

It is not just that Brazil has been relegated to the second or third level in the treatment of world strategic problems that worries Minister Rezek—and Itamaraty—as the cold war sinks below the horizon. Your Excellency is paying attention to the fact that the joint exercise of world power today has more owners—a "select group of countries"—that want to impose their will on the rest of the world, carrying out "corrective international actions" in defense of internationally recognized values, even to the detriment of the principles of self-determination and sovereignty. At this historic moment that we live in Brazil, the foreign minister's reference to "interventionist actions...in the area of human rights" is significant.

The long lecture given by the foreign minister at the Superior War College lends itself to other reflections. What we want to underscore in this column is that the Collor government's foreign policy, as it was defined by his foreign minister, initially permits the following observations:

1. Aside from revealing a certain resentment—which could be perfectly identified with the point of view of some military groups that are more activistic and nationalistic—the lecture given at the Superior War College made it quite clear that Foreign Minister Rezek believes that some allegedly modern international movements "continue to support factions interested in maintaining the status quo, while being real adversaries of the developing countries."

2. Minister Rezek sees the cold war process from the point of view of Araujo Castro: "All crises and all attempts to rebel against the hegemonic position of the two superpowers were judged—and repressed— through the narrow point of view of the East-West conflict." It must be added that this point of view is not historically truthful.

3. In the foreign minister's opinion, the superpowers divided the world and ensured that international cooperation maintained the Third World in a "tolerable degree of poverty," thus creating the feeling that the problems related to development and accumulation of capital—even from the Marxist point of view—are a consequence of a Soviet-U.S. conspiracy to dominate the world since 1947.

Concluding this commentary, I am still in doubt. The lecture given at the Superior War College showed that Rezek either knows little about history—although the foreign minister, who is a former Federal Supreme Court justice, is known as an illustrious jurist—or has distorted facts to support his ideological view of the world. Instead of these two interpretations, what other significance can I attribute to Rezek's remarks? How else can I interpret statements such as: The first "defeat of cold war Manicheanism occurred in the Socialist World" during the 20th Congress of the CPSU; or the comment that clearly seemed to indicate that the Korean War was a U.S. military action disguised as a need "to preserve the values of Western civilization;" or, in supreme contempt of the truth, "since the beginning of the century, the (European) socialists had made tacit electoral agreements with the communists"? Bernstein, Kautsky, Luxemburg, Matteoti, Jaures, Lenin, Trotsky, Jules Guesde, Togliatti, Martov, Plekhanov, and Gramsci, would roll over in their graves at the shocking distortion of historical facts made at the Superior War College just to prove the theory that socialism, while being an ideal of equality and social justice, succeeded in combining with market economy in Europe (sic).!

A foreign affairs policy founded on disregard for history can only lead us to worse isolation than what we already live in. We will again comment on this issue.

Part II

PY0308212990 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Aug 90 p 3

[Notes and Information page: "The New Foreign Policy—II"]

[Text] Besides drawing a not-too-clear picture of international politics in this century, especially post-World War II, the foreign minister's lecture at the ESG [Superior War College] seeks to defend ideas that those who are concerned with Brazil's entry onto the world scene find correct at first glance. Some of these ideas refer to non-intervention in the internal affairs of other states, and to the principle of sovereignty.

As we have said in a previous column, the sovereignty issue will be the subject of intense debate prior to Brazil's entry into the First World. In fact—and this is the position of the European Community Commission, which is supported by nearly all, if not all, the community member countries—Europe and assuredly the United States wish to replace the 18th century concept of sovereignty with another where national states surrender part of their power to an association of states that will be created, especially in Europe, beyond the borders and cruel recollections of a tragic past. The Brazilian Government is not prepared for this change of attitude—this will certainly be one of the points of friction between Brazil and the organizations representing the First World as well as the governments of the northern countries. Strangely, it should be noted that in its relationship with Argentina, Brazil is quietly and patiently opening the way for Latin America, or at least South America, to eventualy have states' relationships based not on 19th century [as published] ideas, but on the compelling need for harmonious development.

Carefully reading the text of Foreign Minister Rezek's lecture, one reaches the conclusion that the defense of sovereignty and non-intervention is linked to two problems: One is the military problem and the other is the combined problem of the environment, human rights, and drug trafficking. The military problem revolves around the nuclear issue, and both Brazil and the United States have clearly antagonistic positions on this issue. Discussion of this antagonism within the concept of security is woven throughout the lecture of Foreign Minister Francisco Rezek, who takes pride in associating arms technology transfer to limited technology transfer. In Itamaraty's view, the "select group of countries" that assumed the defense of the world's moral standards and security does not want to run the risk of "deactivating traditional instruments for freezing power" by spreading technological know-how in general, so as "not to allow the horizontal diffusion of captive security technologies."

It is known that halting two types of proliferation is for the U.S. Government a matter of national security. Nuclear proliferation strictly speaking is one type; the other type is the proliferation of nuclear launching vehicles—the missiles that are capable of shifting the balance of power in sensitive regions at this still uncertain stage in the ending of the Cold War. The U.S. Government's concern over these two proliferations is mostly directed at Brazil, on account of the links, official or unofficial, between Brasilia and Iraq. Here is the reason for the pressure exerted on Brazil to sign the Nuclear Non-proliferation Treaty (TNP) and on Brazilian civilian and military scientists not to develop missile technology that could be sold to third parties without any sort of safeguard. This is a fundamental and serious point of friction between Washington and Brasilia. The foreign minister's lecture, contending that a "select group of countries" (the United States and Europe) does not want to deactivate the traditional power-freezing instruments, expressly mentions those instruments of pressure and power: The TNP, the Missile Technology Regime, and the Coordinating Committee for Multilateral Export Control.

Using military jargon, we will say that the Itamaraty *hostile intention*, not to say hostility, toward U.S. positions was manifested not only at the ESG. On 30 July, Foreign Minister Rezek also made remarks in Rome. If, when quoted in their appropriate context, his remarks are true, they are astonishing. Some of these remarks referred to Rezek's restrictions to President Bush's program for Latin America, and other remarks charged Bush with taking actions "in the Northern Hemisphere as if Latin America did not exist." He said: "We must make our prospects as a continent be respected." (!) [as published] We do not know which of President Bush's actions has affected the minister's sensitivity. We hope the minister is not referring to actions meant to unify the Canadian, U.S., and Mexican markets because, from the U.S. point of view, this common market must have precedence over the creation of a Latin American free-trade zone.

The hostile intention to which we have referred is aimed not only at the United States. In the Brazilian foreign minister's strategy of establishing the leaning of Brazilian foreign relations, the countries that comprise the much criticized "select group," are responsible for spreading strange ideas. According to these ideas, "military threats have lost their relative importance in the face of non-military threats, that is, in the face of special issues such as human rights, the environment, and drug trafficking." In Minister Rezek's opinion, this select group of countries' belief that the "interest of humankind should now concentrate on the solution of these special issues, reflects a curious order of precedence." We would add to these special issues those of the non-transfer of nuclear and missile technology.

As we can see, we are being faced with a distorted vision of prevailing international relations as we cross the threshold of the 21st century. The dramatic part of it is that the distortion is based on old-fashioned ideas, such as the Second Wave, or the ECLA [Economic Commission for Latin America] theories which divide the world into good people and bad people. The bad people are, evidently, the governing officials of the developed countries, who conspire to prevent the good people—the governing officials of the developing countries—from receiving money without having to pay for it in accordance with the terms established in the signed contracts, and from sitting at the table with the superpowers to discuss disarmament agreements and the redefinition of military alliances. The topic is complex and we will continue to discuss it.

Argentina's Cavallo Notes Integration Problems

PY0508220490 Sao Paulo FOLHA DE SAO PAULO in Portuguese 3 Aug 90 p B-13

[Text] Argentine Foreign Minister Domingo Cavallo yesterday admitted that economic integration with Brazil faces problems caused by "cosmetic" triangle trade operations that can harm both Brazilian and Argentine production. This is the case with machines that are provided by Argentina—but not produced in that country—and given "cosmetic" treatment after being imported from the United States, Europe, or Japan. Bilateral protocols allow Argentina to export without paying tariffs. In the case of products such as these machines, however, competition with locally produced machines would be disloyal.

Cavallo said that the working groups of the two countries, which on 3 and 4 September will begin analyzing the integration process, should devote special attention to the merchandise's "certificate of origin." [clausula de origem] He said that "when two countries like Argentina and Brazil integrate themselves, it is essential to approve clear and easy-to-enforce regulations to identify Argentine- and Brazilian-made products." In his country, Cavallo is considered the "gray eminence" of Argentina's macroeconomic policy.

Cavallo and Argentine Economy Minister Antonio Erman Gonzalez were in Sao Paulo yesterday to talk about their integration projects with a group of businessmen from the Brazilian Food Industry Association (ABIA). Both Cavallo and Gonzalez said that it is necessary to create instruments to discourage the use of triangle operations with products that have been subjected to "cosmetic" treatment. Cavallo said: "If any Brazilian producer feels harmed by the alleged provision of a product that was not manufactured in Argentina, he should file a claim. A fast-acting formula should be devised to solve the problem."

Brazil's food sector could be one of the most vulnerable to the opening of markets and the elimination of all border barriers for the circulation of goods. Presidents Fernando Collor and Menem intend to conclude the process of eliminating commercial barriers on 31 December 1994. ABIA President Edmundo Klotz said that there could be problems for the Brazilian food industry, but he believes that the integration process is necessary and irreversible.

Klotz said: "Brazilian conditions will never allow us to produce wheat at $1,700 per ton while Argentina's fertile lands turn out wheat at $700 per ton."

Argentine Minister Sees Joint Action on Debt

PY0408032290 Rio de Janeiro O GLOBO in Portuguese 3 Aug 90 p 23

[Text] Sao Paulo—The integration of the Brazilian and Argentine economies may lead the two countries, in the long run, to a joint treatment of the foreign debt issue. This prediction was made by Argentine Economy Minister Erman Gonzalez who yesterday held a meeting with Brazilian, and Argentine industrialists of the food sector organized by the Brazilian Association of Food Industry (ABIA).

According to Gonzalez the joint treatment of the foreign debt cannot be made now because the economies of the two countries are going through very different situations. This is why the Argentine and Brazilian Governments should limit their contacts only to the exchange of information on their negotiations.

Argentine Foreign Minister Domingo Cavallo said that the economic integration may evolve to such a point that when it is completely consolidated by January 1995 Argentines and Brazilians may have the same currency or at least a par value exchange rate between the two currencies. Cavallo said that Argentine-Brazilian bilateral trade has increased significantly in the last three years jumping from $500 million and $600 million a year to $2 billion.

Erman Gonzalez admitted that the trade balance has been favorable to Argentina in the last six months by $150 million. He said that Brazil and Argentina still have a long way to go for the unification of their markets. The two countries must seek the unification of their food codes, assess the influence of public tariffs on products, and review transportation costs and their respective exchange policies.

IMF Chief Arrives, Approves Economic Opening

PY0408012290 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 3 Aug 90

[Text] Chilean Thomas Reichmann, head of the IMF delegation, has arrived in Brazil and said that the IMF approves the opening of the Brazilian economy. Reichmann, the most important man in the negotiation of an agreement with the IMF, perspired a lot today in Brasilia. At the hotel door, he had to avoid reporters. After many questions posed to him, he said that he could only say one thing: The IMF is satisfied with the liberalization policy of prices and imports.

He then walked more than one and a half km, as one who knows the place very well. This is his 20th visit to Brasilia. Reichmann immediately met with the other members of the IMF at the central bank. On 6 August he will meet with Brazilian foreign debt negotiator Jorio Dauster.

Soviet Delegation Visits Scientific Centers

PY0508203890 Rio de Janeiro O GLOBO in Portuguese 4 Aug 90 p 14

[Text] A Soviet Academy of Sciences delegation which participated in the first Soviet-Brazilian seminar on data processing yesterday visited Globograph, a GLOBO organization company that researches and develops software and hardware for computer graphics. The 14 Soviet scientists were welcomed by Globograph Director General Jose Dias.

The company has operated for four years but has been doing research on and developing its own computer graphics technology for more than 10 years. The Soviets were acquainted with the latest developments in computer graphics in Brazil, which is considered the world's third most developed country in the field. Globograph began by producing vignettes and clips for announcing television programs. Today its services include pictures, simulations, animated cartoons, and visual communications.

The Soviets, who will return to Moscow next week, also visited the science center of the Science and Technology Secretariat, the Petrobras [Brazilian Petroleum Corporation] research center, the computer department of the Rio de Janeiro Federal University, Coppe [Coordination Board of Postgraduate Programs in Engineering], and Embratel [Brazilian Telecommunications Company].

Military Chief Opposes Personnel Reduction Plans

PY0508214890 Rio de Janeiro O GLOBO in Portuguese 4 Aug 90 p 3

[Text] Sao Paulo—General Jonas de Morais Correia Neto, chief of the Armed Forces Staff (Emfa), said yesterday that he opposes the reduction of military personnel proposed by Secretary of Federal Administration Joao Santana, explaining that the amount of military personnel is small in comparison to Brazil's territory. He said he doubted that Santana had actually announced a military personnel reduction as the second step of the administrative reform.

The Emfa chief said: "If he said that, and if I was not informed about it, I will not comment on what others are quoting him as saying. I am not aware of any decision on this issue."

After participating in the judging for the 35th Moinho Santista Prize at the Sao Paulo Court, the general said: "If there is a decision to reduce personnel, it is the military ministers who will decide when and how to do it, following the lead of the president."

He said, however, that it will not be easy to further reduce the number of military personnel.

He stressed: "There are not that many military troops. I therefore do not know how a personnel reduction could be enforced, because we may have already reached the bottom. Only the military ministers can determine that."

He gave assurances that the salary demands made by the military have in no way impaired discipline or the operations of the Armed Forces. General Jonas Correia, who was concerned about the situation "because military personnel depend on their salaries to live in society," said: "I believe that any demand that is correctly delivered is just."

Asked about the fact that Santana has supported the idea of maintaining the political influence of the military ministries in the Ministry of Defense, the Emfa chief replied that "I am not familiar with that position."

Despite the fact that in Brasilia the military have mentioned "Armed Forces doctrinaire matters" in rejecting the idea of creating a Ministry of Defense that actually has no powers, the fact of the matter is that the military ministries today enjoy considerable political influence which the military does not want to lose. The Navy and the Air Force have reacted strongly against the idea of creating a Ministry of Defense that will represent the three branches. An admiral compared the situation with that of a fruit juice to which alligator pears have been added, saying "it will be all green," meaning that the Army will be the dominant force in any Ministry of Defense.

Norwegian Tanker Spills Gasoline in Santos

PY0408161090 Madrid EFE in Spanish 0044 GMT 4 Aug 90

[Text] Santos (Brazil), 3 Aug (EFE)—The commander of the fire fighter corps has reported that Santos, 72 km east of Sao Paulo and the most important port in Latin America, is being threatened with ecological catastrophe by a 265,000-liter gasoline spill from a Norwegian tanker.

Brazilian officials have levied a $2-million fine on the company that owns the ship Tank Queen, which has a Philippine crew, and reported that this tanker will be allowed to leave port only after the cause of the spill has been discovered.

The spill began when the Tank Queen was unloading fuel at the port of Santos. It resulted in a four-km-long gasoline slick in the port; the width of the slick has not been specified.

Claudio Caquejo, commander of the Santos Fire Fighter Corps, after evaluating the situation with municipal Mayor Telam de Souza, said that "a match or engine spark would be enough to cause a catastrophe."

Details of National Treasury Surplus Reported

PY0408233290 Sao Paulo FOLHA DE SAO PAULO in Portuguese 3 Aug 90 p B-7

[Summary] The National Treasury had a 23.56 billion cruzeiros surplus last July. This is 16.6 percent higher than the June surplus. If the 10.9 billion cruzeiros obtained from the sale of privatization certificates are added, the July surplus is 23.5 billion cruzeiros.

Rio de Janeiro Cash Freed To Pay Debt

PY0408150890 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 4 Aug 90

[Text] The government has freed a total of 700 million cruzeiros belonging to Rio de Janeiro State which had been blocked last month. The money, however, will not go to the Rio de Janeiro Treasury; it will be used to pay part of that state's foreign debt guaranteed by the Federal Government. This debt amounts to 4 billion cruzeiros accumulated since January. [sentence as heard]

* Short-Term Credit Lines May Be Refused

90SM0170E Sao Paulo O ESTADO DE SAO PAULO (Economic Section) in Portuguese 5 Jul 90 p 5

[Article by Suely Caldas: "Brazil May Forgo Credit Lines"; first paragraph is O ESTADO introduction]

[Text] Short-term credit lines for foreign trade that expire in 1991 will probably not be renewed.

Rio—Brazil may refuse to renew the short-term credit lines—which total approximately $14 million—granted by private foreign banks when the lines expire in March 1991. These credit lines—which were negotiated in successive agreements concerning the Brazilian foreign debt—are used to support interbank operations of branches of Brazilian banks in foreign countries ($3.5 billion) and to finance export and import transactions ($10.5 billion).

The source of this information is Jorio Dauster, special envoy for renegotiation of the debt, who after talks with Brazilian and foreign bankers and businessmen is convinced that the absence of any requirement for maintaining these credit lines could result in pleasant surprises for Brazilian banks and exporters, in that the foreign banks might increase the volume of funds above the figure of $14 billion and reduce the spread, which is today extremely wide.

This position is part of a new style of renegotiation of the Brazilian foreign debt. One of the initial features of this new style has been to dispense with the committee of creditor banks—created in the past by former minister Delfim Netto—by mutual agreement with the foreign bankers.

Another feature of the changes in the style of renegotiation of the debt is the revision of items in the agreement that had served more to reinforce the need for the existence of this committee than to attract credit to Brazil—items such as the commitment to maintain the short-term credit lines. Bank of America Vice President Joel Khorn agrees with Jorio Dauster. "Everything that is compulsory has consequences," he declares, in a reference to the obligation of the creditor banks to maintain these lines of credit. Based on the experience of one of the three foreign banks that have most concentrated their activity in Brazil in the area of foreign trade, Khorn says that initially there may even be a decrease in the flow of funds to finance these credit lines, but that in the following phase the banks will return—with even greater intensity—because "it is in the interest of the banks, and especially of those that are oriented toward foreign trade activity."

The movement on the part of creditor banks away from these credit lines is already taking place, even before their expiration in March of 1991. This course has been followed mainly by smaller banks that have no presence in Brazil and do little business with Brazilian and multinational firms that are established in Brazil. The larger banks that have interests in Brazil have maintained—or even exceeded—the limits of their commitment to these credit lines, because these are loans that are sure to be paid and are profitable for the banks. Since the end of the Sarney administration the creditor banks have reduced the term of these credit lines from 180 days to 30, or a maximum of 60 days, and have increased the spread to two percent and in some cases even to three percent—almost triple what was formerly charged.

* Ability To Compete Internationally Declines

90SM0170D Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Jun 90 p 7

[Article by Assis Moreira: "Brazil's Ability To Compete Internationally Declines"]

[Excerpt] Geneva—Brazil's ability to compete internationally declined last year, and our country was only able to be more competitive than India in the group of the 10 recently industrialized countries. In the previous year Brazil was eighth, ahead of Mexico and Indonesia.

Within this group, Brazil is also the country where government intervention in the economy is the strongest. And it is last in terms of industrial efficiency, dynamism of the financial system, orientation toward the future, and sociopolitical stability. This is the diagnosis of the report on "World Competitiveness in 1990" that was made public yesterday by the International Institute for Management Development (IMD), one of the principal management schools in Europe, and by the World Economic Forum, a Swiss foundation renowned worldwide for its Annual Meeting in the Swiss Alps, which also numbers among its participants the cream of the international elite.

The report is based on 326 criteria ranging from the cost of labor to trade policy, education, and the environment. It also reflects expectations with respect to growth, investment, the profile of development, and employment opportunities in the opinion of the international business community.

Brazil's profile is that of a country mortgaged to very short-range plans, without adequate investment in research, and filled with uncertainties. Its problems with respect to finance, public orientation, and social stability are creating in the international community "some doubt" concerning Brazil.

Despite the strong government intervention—which has not occurred at the same levels in any other recently industrialized country—Brazil is one of the countries with the best market structures, with a good system of distribution, advertising and merchandising at the wholesale and retail levels. Our country also scores well in the category of natural resources.

The decline in competitiveness vis-a-vis Mexico and Indonesia is minimal. The three countries find themselves on virtually the same level. The difference—and it is significant—is that the international community is witnessing in Mexico the initial results of far-reaching reforms carried out by President Carlos Salinas de Gortari. The international business community has a "more optimistic" perception of the Mexican economy. [passage omitted]

* Air Ministry Cuts Estimated at Cr$15 Billion

90SM0170C Sao Paulo O ESTADO DE SAO PAULO in Portuguese 27 Jun 90 p 4

[Text] Brasilia—The Ministry of Aeronautics estimates at Cr$15 billion the reduction in expenditures that it will obtain from the planned cuts in its investments. The Brazilian Air Force (FAB) had planned to purchase 18 AMX aircraft—a subsonic fighter developed with Brazilian and Italian technology—but has reduced this number to eight. This cancellation alone amounts to a saving of approximately Cr$7.6 billion in the area of Programs and Investments of the Ministry of Aeronautics.

In the area of Control and Protection for flights, 45 percent has been cut from the appropriations for the projected installation of the Air Defense and Air Traffic Control Systems (SINDACTA). At the beginning of his term in office President Fernando Collor asked the Ministry of Aeronautics to assign priority to the SINDACTA program, which would have received approximately Cr$7.15 billion in funding. The appropriation was revised, and only Cr$3.8 billion will actually be spent on the project in 1990.

The possibility of dismissals has not had the effect of frightening the civilian and military employees of the ministry, which is headed by Brigadier General Socrates da Costa Monteiro. Early last month the minister indicated such a possibility, but for the time being the cuts in expenditures have been limited to the cancellation of competitive examinations for admission to the academies.

* Military Score Government Wage Policy

90SM0170B Sao Paulo O ESTADO DE SAO PAULO in Portuguese 30 Jun 90 p 4

[Article by Jose Paulo da Silva and Roberto Pumar: "Military Use Newspaper To Crticize Government"]

[Text] Rio—Troubled by President Collor's warning that he will not permit criticism of his administration by the military and will punish such criticism, the officers of the Armed Forces—especially those with ties to the most conservative sectors—have found a way to show their dissatisfaction with the government's wage policy. In the newspaper OMBRO A OMBRO, an unofficial mouthpiece of the military—which circulates in all units of the Army, Navy, and Air Force—the officers, in an unsigned editorial, criticize the policy of open negotiation on wages established by the government.

"Open negotiation can be salutary for the goods-producing sectors, each component of which is able to present its demands independently of political and reelection-oriented labor-union centralism, but it is not an instrumentality that serves the interests of the military and the civilian employees of the federal government," the editorial says at one point. The newspaper—which has a circulation of 300,000 and goes on sale in the military units on Monday—features an editorial entitled "Wage Negotiation and the Armed Forces." Journalist

Ana Teresa Schirmer Neves, daughter of Army Colonel Pedro Schirmer, is in charge of publishing OMBRO A OMBRO.

Demands

The editorial concludes its critical remarks with a question. "Deprived of any instruments for bringing pressure or making demands, because they are subject to disciplinary regulations that are based on the principles of hierarchy and subordination," it asks, "what options are left for the military when the time comes to request fair compensation for their losses in terms of wages?"

The editorial in the newspaper comes on the heels of other demands by the military, including wage equality and the right to disagree with government policies. Statements of this type have already caused the arrest of Reserve General Newton Cruz, former head of the Central Agency of the National Service for Intelligence (SNI), and a warning to another reserve general, Euclydes Figueiredo, brother of former president Joao Figueiredo.

Evaluation

The recently installed president of the Military Club, General Nilton Cerqueira, has promised to make a careful evaluation of the OMBRO A OMBRO editorial. After the installation ceremony last Tuesday [26 Jun] he told a press conference that the club will seek out the views of the military whenever it believes a discussion of wage problems is necessary. "We are not going to run away from the discussion of major national topics," Cerqueira declared.

General Newton Cruz took note of the editorial yesterday but refused to comment on it. He said merely that the newspaper has every right to express an opinion on the military wage question. "It is not violating any directive," he declared, "provided the opinion is expressed by military personnel who are in the reserves."

* 1990 Census Delayed; Societal Change Predicted

90SM0170A Sao Paulo O ESTADO DE SAO PAULO in Portuguese 29 Jun 90 p 13

[Unattributed article: "Government Has No Funds for the Census"; boxed material as indicated]

[Text] The Ministry of the Economy is trying to get an agreement with the IBGE [Brazilian Institute of Geography and Statistics] to avoid a delay in the 1990 census.

The ministry disclosed yesterday that it has reached an agreement with the IBGE to find a quick solution that will make it possible to carry out the 1990 census on schedule. The ministry recognizes that there will be financial difficulties in accomplishing this, but emphasizes that it has every interest in solving the problem. The secretary for administration, Joao Santana, who has been accused by the IBGE of withholding funds for the hiring of personnel for the census, said that he is responsible only for monitoring the competitive examinations for selecting the team of census-takers. He insisted that it is not his job to prevent the IBGE from hiring the researchers for this year's census. "All the secretariat did," he said, "was to bring to the attention of the ministry the need for administrative reforms within the IBGE, which has 13,000 employees."

IBGE president Eduardo Augusto Guimaraes said yesterday in Rio that for the time being, the hiring of personnel to carry out the census "continues to be governed by the directives and decisions of the government."

"From the technical standpoint," Guimaraes declared, "it is desirable to carry out the census this year, in compliance with the 10-year periodicity that has been the practice since 1940."

In the opinion of Delfim Netto (PDS [Social Democratic Party], Sao Paulo), who was a cabinet minister in three governments, the whole thing is nothing more than "a kind of exhibitionism" on the part of the officials who are dealing with the matter. "Delaying the census would not yield any substantial economies for the government but would cause confusion among our demographers and analysts," Delfim says. The deputy, however, also does not believe that a delay would be catastrophic for the nation. "The important thing," he said, "is to carry out the census. If we delay it a year, we will have problems but nothing that we can't solve."

Open Doors

Paulo Renato Costa Souza, economist and former rector of Campinas State University (UNICAMP), says this census is better organized than any previous one. "For the first time," he says, "the IBGE has opened the door for other researchers, economists, and demographers to contribute suggestions for the drafting of the questionnaire. "As a result, we will now be able to get more complete data that will make possible more detailed studies of the current situation in Brazil."

Jose Alberto Magno de Carvalho, economist and demographer of the Regional Development and Planning Center (CEDEPLAR) of the School of Economics of the Federal University of Minas Gerais, states that Brazil is recognized as the country that has had the best series of demographic censuses in the Third World. "The staff is going to work on the census for only a short, well-defined, period and will not swell the ranks of the IBGE," Carvalho explains. He says that 40 million questionnaires have already been printed with a reference date of 1 September, and if the census is not carried out by that date, these forms will be thrown into the trash. "The government should take this into account before considering a postponement," he cautions.

[Box, p 3]

Survey Will Reveal Nation's Soul, by Alvaro Caropreso

The 1990 census is being awaited anxiously by social scientists, economists, anthropologists, and planners in general. For 10 years Brazil has been experiencing a profound crisis in all sectors, and the indications that major changes are taking place appear in innumerable surveys. The population appears not to be growing with the same momentum as in past decades; the structure of the family has perhaps undergone a complete change; Sao Paulo is no longer the strongest pole of attraction for the waves of migration; the informal economy is more extensive than had been thought; and the white population is today probably an ethnic minority. All these indications must be verified in order to set a course for the future.

These are "macroquestions" that cannot remain unanswered. Elza Berquo of the Brazilian Analysis and Planning Center (CEBRAP) in Sao Paulo, and Jose Alberto Magno de Carvalho of the Regional Development and Planning Center (CEDEPLAR) of the Federal University of Minas Gerais, are two of the most respected experts on the commission which for two years advised the IBGE in planning the 1990 census. They have indicated some of the major questions in connection with obtaining a true picture of Brazil, as follows:

Family Structure

There are indications that the family of the "father, mother, and children" type is being replaced by the "single parent" family headed by a man or, more often, by a single woman. The number of persons living alone or with relatives or friends also seems to be increasing, as is the number of divorces and unmarried couples. These changes are exerting a strong influence on the demand for housing.

Birthrate

This is perhaps the most important structural change in the population to occur in the past two decades. In 1960 women were having an average of 6.2 children. This figure declined to 5.6 in 1970 and to 4.5 in 1980, and by 1984 had dropped to 3.5, according to a partial survey made that year. Only a complete census will be able to show what is actually occurring.

Education

If women are tending to have fewer children, the pressure to increase the number of elementary schools may be lessening. Resources could then be channeled toward improvement of the educational system rather than its expansion, as has been the case.

Informal Economy

Economists believe that those individuals who make their living from their own small and officially unregistered enterprises now account for approximately 40 percent of all economic activity.

Population Distribution

New fronts of agricultural expansion have diverted the waves of migration to Acre and Rondonia. Migration specifically to the interior of the North and Northeast has increased, and Sao Paulo and Rio de Janeiro are no longer the principal urban poles of attraction. Cities of the interior of the state of Sao Paulo—such as Campinas—are tending to attract more people. To detect this movement, the 1990 census was planned with a view to "tracking" each one of the migrants, city after city.

Young and Old

The life expectancy of Brazilians—the average number of years they live—has been increasing since 1940, when Brazilians could hope to live an average of 41 years. That figure rose to 52 years in 1960 and to 62 in 1980. It is possible that this trend among Brazilians is continuing, with a consequent rise in the proportion of elderly in the population—a statistic that would be essential in planning social security and welfare policy.

Color

If the trend indicated by the previous censuses is confirmed, whites will already be in the minority. In 1980 approximately 55 percent of the population declared itself to be white, 39 percent of mixed race, and six percent black. Inasmuch as the percentage of whites in the population has been declining since 1940, it is possible that in 1990, individuals of mixed race and blacks will constitute the majority.

Chile

Bush's Aid Sought To Lift National Goods Ban

PY0408030290 Santiago Domestic Service in Spanish 2300 GMT 3 Aug 90

[Text] The Chilean Government is looking into the possibility of asking U.S. President George Bush to use his right within the U.S. Senate to veto a resolution establishing a series of restrictions on Chilean agricultural goods that enter the U.S. market.

This information was disclosed by Foreign Minister Enrique Silva Cimma, who noted that the request will be made immediately after the appropriate mechanism has been established. Silva Cimma said that the U.S. Senate contradicts President Bush's Initiative for the Americas.

[Begin Silva recording] This resolution, to a certain extent, represents a confrontation or contradiction of positions. On one hand, Bush's Americas Initiative proposes a very convenient system for us but, on the other hand, we are affected by restrictions that are very harmful to the projection of our markets in Latin America. [end recording]

The U.S. President's initiative, in general terms, consists of increasing trade between Latin American countries and also with the United States.

Regarding the Iraqi invasion of Kuwait, Silva Cimma said that since 11 March the Chilean Government has not sold weapons to Iraq. He also noted that neither will Chile continue buying weapons from South Africa.

Silva Cimma also referred to the meeting he held in Brasilia with his Argentine, Brazilian, and Uruguayan counterparts. He explained that the idea of a common economic market between these countries is very interesting but that Chile's participation will be conditioned on the level of development reached by the economies of those nations because the Chilean economy, currently, is superior. The foreign minister said that it is a fact that these countries currently experience a political integration, a shared point of view regarding the defense of democracy, human rights, the struggle against drug trafficking and terrorism, among other issues.

Rojas Cites Reasons for Security Council Meeting

PY0308201590 Santiago Domestic Service in Spanish 2300 GMT 2 Aug 90

[Excerpts] National Defense Minister Patricio Rojas has disclosed that President Patricio Aylwin has summoned a National Security Council meeting for next Tuesday, 7 August. Minister Rojas explained that Aylwin has summoned the meeting to discuss the draft bill authorizing the entry and exit of foreign military troops on Chilean territory.

[Begin Rojas recording] I wish to announce that the president of the Republic has summoned a National Security Council meeting at 1100 next Tuesday, 7 August, at La Moneda Palace for two reasons. In the first place, to disclose details, in keeping with the Constitution, on an urgent draft bill to be submitted to Congress referring to the authorization for the entry and exit of foreign military troops in Chilean territory. This is a legal procedure provided for in Paragraph 13, Article 60 of the Constitution. This draft bill needs to be reviewed by the National Security Council before being submitted to Congress. [end recording]

Rojas explained that this draft bill will establish the procedures to authorize the entry of foreign troops into Chile.

In the second place, Minister Rojas said that the National Security Council's reorganization will be discussed. [recorded passage omitted]

Rojas was asked if this subject has any link with the authorization for U.S. troops to enter Chile on the occasion of President George Bush's upcoming visit to Chile. Rojas said that the authorization for the entry of troops requires a law to regulate exercises such as the Unitas maneuvers which, during the previous administration, only required an approval by the government junta in its capacity as the legislative branch. He explained that under the current institutional system Congress is in charge of this type of draft bill.

Moreover, Senate President Gabriel Valdes explained that President Aylwin's decision to summon a National Security Council meeting complies with the Constitution, with the duty of giving an explanation, and that it has no political connotation. He also denied that this decision has anything to do with possible problems between the government and the Armed Forces.

[Begin recording] [Valdes] It is a constitutional, legal procedure because the contents of a draft bill must be disclosed before being submitted to Congress. It has no political connotation.

[Reporter] Do you deny it has anything to do with possible problems between the government and Armed Forces?

[Valdes] I categorically deny such a possibility. I am fully aware of the reason for this meeting and can assure you that it has nothing to do with a possible disagreement between any government branch or authority and the Armed Forces. It is a procedure before the executive branch submits a draft bill to Congress, a procedure provided for in the Constitution. [end recording] [passage omitted]

Economy Minister Calls Free Zone Idea 'Positive'

PY0408011690 Santiago Radio Cooperativa Network in Spanish 2300 GMT 3 Aug 90

[Text] Economy Minister Carlos Ominami said today that the idea of creating a free zone in the southern cone with the participation of Brazil, Argentina, Chile, and Uruguay is positive.

Ominami recently attended a meeting of economy ministers of the southern cone in Brasilia. He said that the Chilean position on this initiative is that Chile only wants reciprocity because the characteristics of its open economy and its low duties would put Chile at a disadvantage before new lower tariffs.

Ominami said that the growing tendency toward commercial opening in Latin America is positive. He said that the creation of large economic blocs is already recognized as the new tendency. He said, however, that the Chilean situation is unique because of its open economy. He added that in the Brasilia meeting all the countries agreed that the Bush initiative for integration of the Americas is positive. On this initiative Ominami said:

[Begin Ominami recording] We believe that the possibility of creating a free zone in the Americas is naturally promising. [end recording]

He added that a free zone in the southern cone would be the first step toward the Bush proposal, and that this is an initiative Chile sees with sympathy, and would follow closely. He said:

[Begin Ominami recording] We want to follow the proposal closely by maintaining relations with these countries. But we also explained that Chile has a particular situation because in the commercial field we are much more open than Brazil or Argentina. [end recording]

He said that Chile has made a great contribution to the increase of the continent's exports, and that its trade deficit with Latin America is $700 million.

Further on Ominami's Remarks

PY0408124090 Madrid EFE in Spanish 2237 GMT 3 Aug 90

[Text] Santiago, 3 Aug (EFE)—Economy Minister Carlos Ominami said today that Chile will participate in a southern cone common market as long as this process is carried out on a realistic basis and differences in economic matters are recognized.

Ominami made this comment today in answer to questions about his visit to Brazil, where he and Foreign Minister Enrique Silva Cimma attended a meeting with their Argentine, Uruguayan, and Brazilian counterparts. The ministers of the four countries evaluated President Bush's proposal for the creation of a free trade market in the Americas.

Ominami indicated that he explained at the meeting that Chile is in "a unique situation" which puts it at a disadvantage with the rest of the region. Ominami explained that Chile's open economy and low tariffs have made a great contribution to increasing the continent's exports but, because of the high tariffs of other countries, the commercial exchanges have been negative for Chile. Ominami gave as an example the trade balance with Brazil, which shows a $200-million deficit for Chile. He noted that Chile is willing to join the negotiations if these aspects are considered.

He also announced that Chile will sign a basic commercial agreement aimed at putting an end to the restrictions imposed on Chilean products by the U.S. market. He said, however, that "it does not seem reasonable" for Chile to negotiate with the United States on the creation of a bilateral common market.

In past comments on this issue Ominami has advocated negotiations with the international community "on the basis of establishing a group of countries with significant integration and uniformity."

Foreign Minister Silva Cimma labeled the Brasilia meeting "useful and positive," adding that there was a favorable reaction to the Bush proposal. He explained, however, that it is not yet possible to create a free exchange market among the southern cone countries because of differences in tariff systems.

He indicated that there is a common desire to carry out this initiative, especially on the part of Chile, whose integrationist position "cannot be questioned."

Ominami announced that commercial delegations from Argentina, Venezuela, and Mexico will arrive in Chile in the next few weeks and that a Brazilian mission headed by Economy Minister Zelia Cardoso de Mello will arrive in August. He added that this is part of President Aylwin's integrationist policy.

Nuclear Energy Agreement Signed With Argentina

PY0308203190 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 3 Aug 90

[Text] Manuel Mondino, president of Argentina's nuclear energy commission, and Sergio Lorenzini, head of the Chilean nuclear energy commission, today signed a Chilean agreement for the peaceful use of nuclear energy.

The agreement regulates and promotes bilateral cooperation in the nuclear field through two-year plans in the various areas of nuclear energy use. Among such areas are the development of pharmaceuticals through irradiation—which will benefit the medical field—controlling the fruit fly with irradiation, and preserving food with irradiation.

FRG Economic, Technical Cooperation Resumed

PY0308202290 Santiago Television Nacional de Chile Network in Spanish 1800 GMT 3 Aug 90

[Text] After a 16-year break, the Chilean and FRG Governments have resumed economic and technical cooperation ties. A protocol was signed at the La Moneda palace this morning that will enable Chile to receive $65 million from the FRG Government as follows: A donation of approximately one third of the total amount plus credits on very favorable terms. The funds will be earmarked for health, housing, education, and environment projects, for a peasant development plan, for credit lines for small- and medium-sized companies, and for a program for the return of exiles.

Colombia

President-Elect Designates Four New Ministers

PA0408151090 Bogota Radio Cadena Nacional in Spanish 1200 GMT 4 Aug 90

[Text] Bogota - The names of four new ministers in President-elect Cesar Gaviria Trujillo's cabinet have been reported within the past few hours. They are: Juan Felipe Gaviria Gutierrez as public works and transportation minister; (Guido Lule Amin), mining and energy minister; Francisco Posada de la Pena, labor and social security minister; and (Jaime Giraldo Angel), justice minister. Gaviria Gutierrez and (Lule Amin) belong to the Galanist [followers of assassinated presidential candidate Luis Carlos Galan] sector of the Liberal Party and Posada de la Pena and (Giraldo Angel) belong to the

Social Conservative Party. (Giraldo Angel), however, was not approved by his party's directorate because he is an independent conservative.

The four new ministers join the following ministers who have already been confirmed by President Gaviria: (Rudolph Holmes), finance and public credit minister; Julio Cesar Sanchez Garcia, government minister; Luis Fernando Jaramillo Correa, foreign relations minister; and Ernesto Samper Pizano, economic development minister. President-elect Cesar Gaviria Trujillo has, furthermore, rejected the National Salvation Movement's list of candidates to the post of minister, but an agreement on the matter is expected to be reached within the next few hours. It has been reported that the proposal for Antonio Navarro Wolff to occupy the post of public health minister has also been rejected.

Changes to Judicial System Planned in Assembly

PA0308233290 Bogota Radio Cadena Nacional in Spanish 1200 GMT 3 Aug 90

[Text] Bogota—The national constituent assembly will seek to endow the Judicial Branch and the Attorney General's Office with the necessary legal instruments to cope with terrorism and organized crime. This was established by the assembly agenda, which was disclosed by President-elect Cesar Gaviria Trujillo and the spokesmen of the country's three major parties who reached a major political agreement on the matter.

The amendments to the judicial system and the Attorney General's Office, which will be created during the assembly, say that by giving the necessary legal instruments to those institutions, the law will permit the regulation of mechanisms such as changing who has the burden of proving ownership of properties, procedures to indentify and punish certain people, plea bargaining in cases where collaboration has been effective, lifting corporate secrecy, judicial exemptions, judges with multiple duties, protection of the identity of judges and witnesses, payment of rewards, and the significant increase of penal, fiscal, and monetary sanctions.

The amendment also adds that a special system must be established to fight terrorism, which includes the options of creating specialized jurisdictions, exemptions to the principle of subjective responsibility [responsabildad subjetiva], and special procedures outlining which constitutional rights may be suspended to effectively deal with terrorism. The law will define the differences between political crime, common crime, and terrorism. The planned amendment also mentions establishing the ground rules for the prosecution system through the Attorney General's Office or other alternative criminal investigation procedures, transferring criminal investigation over to the Executive Branch, reviewing procedures to grant pardons for political crimes, creating justices of the peace, democratizing justice, dividing the justice system by territory, establishing the autonomy of justice, and reviewing the system of the Attorney General's Office.

FARC Fronts Agree to Dialogue With Government

PA0408182090 Mexico City NOTIMEX in Spanish 1700 GMT 4 Aug 90

[Text] Bogota, 4 Aug (NOTIMEX)—Four Revolutionary Armed Forces of Colombia (FARC) guerrilla fronts have announced their decision to engage in dialogue with the government, it was reported here today.

The 4th, 9th, 18th, and 23d Fronts of FARC announced their desire to join the peace process between the government and the People's Liberation Army (EPL), which apparently will culminate with an agreement for the disarmament of this guerrilla group.

In a document signed by Commanders Efrain Garzon, Salomon, Dario, and Nestor, the guerrilla factions announced their decision to join the peace process "even though the FARC leadership may level the maximum penalty against us."

"We are in favor of a peaceful solution to achieve democracy and peace and we reiterate our decision to carry out a dialogue with Rafael Pardo Rueda, presidential peace counselor, or to participate in the peacekeeping process being carried out with the EPL," the text of the document stated.

At the same time, the FARC Command Staff demanded that a commission be formed to act as a bridge between the rebel group and the new government if meetings are held in the future.

The rebel command staff requested that Bishop Dario Castrillo, political leaders Jorge Mario Eastman and Alvaro Leyva Duran, and Senate and Chamber of Deputies Presidents Aurelio Iragorri Hormaza and Hernan Berdugo participate in the negotiations as mediators.

The Colombian guerrillas announced their willingness to hold talks to further the peace process with representatives of President Cesar Gaviria's new government.

However, they warned that the guidelines will not be the same as those that were applied in the negotiations with M-19 [19 April Movement], currently the third political force in the country.

FARC Creates Commission for Peace Negotiations

PA0408223490 Bogota Inravision Television Cadena 1 in Spanish 1800 GMT 4 Aug 90

[Text] Cinevision Newscast has exclusively obtained a communique issued by the FARC [Revolutionary Armed Forces of Colombia] in which they appoint the presidents of the Senate and the House of Representatives, Pereira Bishop Dario Castrillon, [Doctors] Jorge Mario Eastsman, and Alvaro Leyva Duran as members of a commission to mediate before the government in order to negotiate with the administration of President Gaviria.

The resolution of demobilizing and changing weapons for ballots is not an exclusive idea of the M-19 [19 April Movement]. In recent weeks, other subversive groups have expressed their intention to stop violence and rejoin civilian life. Perhaps one of the most traditional leftist rebel groups is determined to do just that. This is the impression we get from the communique issued in the last few hours by the FARC's General Staff from the town of La Uribe.

[Begin unidentified guerrilla recording] To take advantage of the presence of our common friend, we want to salute you and express our interest in jointly carrying out a collective interpretation of the serious national situation. We are convinced that your years of serving the country will have positive effects on the conclusions that we may reach. Given the current conditions, our meeting should take place in this area of the country. [end recording]

The FARC leaders, headed by Jacobo Arenas and Manuel Marulanda, demanded the presence of legislative branch representatives. In this way, according to Arenas and Marulanda, the talks could have a greater scope. Reading between the lines, however, it is not difficult to see that FARC is trying to get closer to the new administration. We only expect that this will result in a clear FARC willingness to finally consolidate peace in Colombia.

Government, PRT Sign Peace Agreement

PA0508034390 Panama City ACAN in Spanish 0015 GMT 5 Aug 90

[Text] Bogota, 4 Aug (EFE)—It has been officially announced that the Colombian Government and the armed Trotskyite Revolutionary Workers Party (PRT) today signed a agreement whereby the PRT will be disbanded.

The peace agreement was signed three days prior to the conclusion of current liberal President Virgilio Barco's term.

The pact was signed in the tiny La Haya hamlet near San Juan de Nepomuceno on the country's northern coast, 980 km from Bogota.

Deputy Government Minister Jose Noe Rios signed the agreement for the Colombian Government, and Commander Valentin Gonzalez signed for the PRT.

The document establishes a PRT demobilization itinerary, and calls for the establishment of an area where all of the PRT fighters will gather; the area has not yet been chosen, but it has been disclosed that it will be on the country's Atlantic coast.

The government also pledged to guarantee the group's safety and to make politicial concessions to its members.

Valentin Gonzalez, top leader of the PRT, which is considered one of the smallest guerrilla groups in Colombia and operates on the country's northern coast, said today that the organization will surrender its weapons before the National Constitution Reform Assembly begins in January 1991.

The Barco government in March achieved the 19 April Movement's (M-19) demobilization. The group surrendered its weapons and became a political party.

The People's Liberation Army is currently involved in a peace process similar to the process carried out with the M-19.

Paramilitary Group Chief on Agreement To Disband

PA0408225190 Bogota EL TIEMPO in Spanish 1 Aug 90 pp 1A, 8A

["Text" of statement by Fidel Castano Gil, reputed leader of ultraright paramilitary groups operating in Cordoba Department, on 31 July]

[Text] Through your prestigious newspaper, I would like to inform the people, the EPL [Popular Liberation Army], and government leaders of the following:

1. The only reasons why we were compelled to organize self-defense groups in Cordoba Department were the constant abuses, kidnappings, and blackmail by the guerrilla groups stationed in that region of the country.

2. It seems the government and the EPL regard us as an unsurmountable obstacle to successfully holding talks that will lead to peace.

3. In view of the above and in view of the fact that the EPL wants to join civilian life and use forms of struggle other than violence, we have decided to participate in a process of disbandment, since henceforth there is no reason to justify our presence in Cordoba, as the EPL was the guerrilla organization that had been wreaking havoc in the region. It goes without saying that we, as every Colombian citizen, want peace.

4. We must also ask the EPL to be honest in this process and to stop its established practice of violent takeovers, such as the one conducted in the town of Valencia (Cordoba) in June, although it had promised to observe a cease-fire.

Signed: Fidel Castano, identification number 3.371.241

Government Eliminates Military Command in Uraba

PA0408200290 Bogota EL TIEMPO in Spanish 1 Aug 90 pp 1, 8a

[Text] In a surprising communique, the Government Ministry yesterday announced the "elimination of the Uraba Military Command, which had been temporarily established, but has successfully fulfilled the duties assigned to it."

In making this decision, "the government consulted with the Defense Ministry and took into account the marked return of tranquility to the area that we are sure will be consolidated" and maintained with the cooperation of political, labor, business, and church groups, and citizens in general.

This is the fourth military command that the administration of President Barco has eliminated in less than eight days and only one week before leaving the Narino Presidential House.

The first three were the military commands in Bello, La Estrella, and Envigado—municipalities on the outskirts of Medellin—which were created months ago to fight narco-terrorism and tighten the siege on the mafia chiefs of Antioquia Department.

However, the elimination of the Uraba Military Command is more surprising than the elimination of the others, because several officials, including Antioquia Governor Helena Herran de Montoya, had maintained that "that possibility has not even been considered."

The government made this decision hours after Fidel Castano, who is presumed to be the main paramilitary chief in that strife-torn region, voiced his intention to order the demobilization of armed groups that follow his orders.

The area has experienced a gradual detente process since the Popular Liberation Army (EPL) guerrilla movement began a hold talks with the national government to achieve disarmament and attain peace.

Most command units of that insurgent group are now in Puerto Nuevo, one of the area's 12 municipalities. Some analysts yesterday interpreted the Barco administration's decision to be part of the agreements reached with the EPL to bring about that guerrilla group's disarmament and demobilization.

The Uraba Military Command had been established on 15 April 1988 in the wake of a wave of indiscriminate massacres of peasants that shook the region.

During the command's existence, special jurisdictions were created for the area's public order judges and these judges are now administering justice on a permanent basis in the region.

Government sources yesterday stated that the elimination of the Uraba Military Command does not imply the withdrawal of the armed forces troops that are already operating in the area, but it does imply changes, because all administrative duties will now be handled by municipality mayors and, as before, coordinated by the Antioquia Governor's Office.

The most recent act of violence after a period of relative peace took place last week with the murder of the area's prosecutor, Maria Esther Restrepo Quinceno, who was investigating the massacre of 42 peasants who had disappeared in January and were later found dead.

EL TIEMPO consulted the region's last military chief, General Adolfo Clavijo, who said that this a logical decision of the national government at the end of its tenure:

"The military command was created to reestablish public order in the area. The command lost its purpose for being because of the peaceful atmosphere experienced in the area and the peace process with the EPL."

He added that "henceforth the military presence will continue with an operational command unit that will be comprised of the Voltigeros, Francisco de Paula Velez, and Narino Battalions, which are already there."

The general pointed out that the decree that dismantled the Uraba Military Command officializes the creation of the Uraba Police Department: "Thus the Police in Antioquia will be comprised of three operational units—the Metropolitan Police, the Antioquia Police, and the Uraba Police Department. The last will be headed by Colonel Edgar Rodriguez Garcia."

Medellin Cartel Threatens To Launch Offensive

PA0408193990 Mexico City NOTIMEX in Spanish 1717 GMT 4 Aug 90

[Text] Bogota, 4 Aug (NOTIMEX)—The Medellin Cartel has threatened to launch a new escalation of terror that would "extend to Bogota," if the government insists on maintaining its policy of extradition, the newspaper LA PRENSA reported today.

LA PRENSA reported that a man who identified himself as Carlos Jimenez "Caliche," said over the phone that the government had promised the Medellin Cartel "not to extradite more Colombians to the United States," in exchange for a suspension of the terrorist attacks.

"The government had promised that it was not going to extradite one more person. It had also said that it was going to try, by some means, to include the issue of extradition among the topics of discussion of the Constituent Assembly," said Jimenez, who claimed to be the spokesperson of the Medellin Cartel.

LA PRENSA said that "Caliche" had stated that as long as the extraditions of Colombians to the United States are suspended, "the Medellin Cartel will not carry out terrorist attacks around the country."

On behalf of the Medellin Cartel, Carlos Jimenez claimed responsibility for the murder of Luis Carlos Galan [former Liberal Party presidential hopeful], which took place approximately a year ago, as well as for the attack on an Avianca plane that exploded while en route to Cali from Bogota.

LA PRENSA quoted Jimenez as saying that Escobar, the most wanted man by Colombian authorities, and the Ochoa brothers, who are reportedly responsible for organizing cocaine shipments to the United States, are "very well protected."

Since the murder of Galan on 18 August 1989, the Government of Virgilio Barco has extradited 22 people to the United States. On the morning of 3 August, the government turned two drug traffickers over to U.S. authorities for extradition to the United States.

3,500 Policemen To Patrol Bogota for Inauguration

PA0508155390 Bogota Radio Cadena Nacional in Spanish 1200 GMT 5 Aug 90

[Text] Bogota—It has been reported that approximately 3,500 uniformed men will patrol Bogota during President-elect Cesar Gaviria Trujillo's inauguration ceremony on 7 August. Bogota Metropolitan Police Commander General Nacin Yanine Diaz has said that this measure will ensure maximum security in the city, especially in its central areas. Commander Yanine Diaz has stated that the situation is currently completely under control and assured that conditions would continue to be normal. These statements were made just after the District Security Council's meeting ended in Bogota's main municipal office.

Recent Battles Between Army, Guerrillas

PA0408011490

[Editorial Report] Bogota Inravision Television Cadena 1 in Spanish at 0100 GMT on 23 July carries a 1-minute report, with statements by a National Police spokesperson, on an attack by a "50-man column of the Captain Parmenio Front of the ELN [National Liberation Army]" on police near the town of Lebrija in Santander Department. The report adds that two traffic policemen, one military intelligence officer, and three civilians, including one contractor of the Colombian Petroleum Enterprise ECOPETROL, died in the attack.

Madrid EFE in Spanish at 0042 GMT on 27 July carries an approximately 200-word Bogota dateline item on a Defense Ministry report which states that a column of the Revolutionary Armed Forces of Colombia inflicted six casualties on the Army's 11th Military Brigade on 26 July in the town of Valencia, 450 km northeast of Bogota. The report adds that alleged ELN guerrillas executed Police Inspector Alipio Rivera in the town of Guachicono, Cauca Department.

Madrid EFE at 1753 GMT on 30 July carries a 300-word Bogota dateline dispatch that quotes an Army source as saying that six guerrillas of the Quintin Lame Movement were killed on 30 July in two clashes with troops of the 3d Army Brigade in the Municipalities of Caloto and Santander de Quilichao in Cauca Department. The report adds that on 30 July the guerrillas murdered a cattleman whom they had kidnapped earlier.

Paraguay

Government To Reorganize Central Administration

PY0508023490 Asuncion ULTIMA HORA in Spanish 4 Aug 90 pp 12, 13

[Text] The government has decided to reorganize the entire state apparatus with UN assistance. The first measures will be implemented in the central administration according to a report prepared by Paraguayan experts and UN Development Program [UNDP] personnel.

The Institutional Reform of the Central Government, as the program's first stage is called, will last eight months, and will start late this month.

Part of the project report, which has been approved by the government, says that "the country is going through a transition period in which the structure of institutions is obsolete, and needs to be changed. Finding the appropriate framework to implement the project has been a problem. If the rationale for high efficiency prevails, the democratic process will be affected, and if the rationale for the democratic process prevails, then efficiency will be affected. The road to follow is not the middle road but one determined by the process of integrated socialization advocated by the different social forces in the country."

The government requested the UNDP's technical assistance in preparing a modernization project that matches state institutions to resources, procedures demanded by the democratization process, government plans, and the country's current socioeconomic situation.

The project report also says that "support for the democratic process needs permanent technical assistance in order to build the necessary infrastructure for new public administration procedures. The inertia of several decades makes technical assistance an extremely important ingredient. Continuity of technical support must go hand in hand with continuity of the democratic process."

The time required to fulfill the project has also been considered. The project report concludes by saying that "the program for improving the administration has been designed for the situation in the Paraguayan central administration. Therefore, it is important that the project succeed in order to prompt other agencies to attempt similar projects. Future development depends on the project's success."

Defense Minister Discusses Troop Reductions

PY0408164290 Asuncion HOY in Spanish 4 Aug 90 p 7

[Excerpt] Defense Minister Angel Souto Hernandez, during an impromptu meeting with the press at the National Defense Ministry yesterday, stated that "the number of military troops will be reduced."

Told that the Paraguayan Army has 22,000 troops, making it one of the largest armies in Latin America, General Souto noted that "that number is not correct, but the number of Paraguayan Army troops is being reduced."

General Souto said that the reduction will be carried out gradually and referred to some of the mechanisms that have already been implemented, including the fact that students are no longer being drafted for military high schools, which will result in these military schools being closed.

It should be mentioned that Paraguayan officers are trained professionally at the Military College, the Acosta Nu Military School of Asuncion, and the Panchito Lopez Military School of Encarnacion. The defense minister added that one of these schools must be closed soon and that, "in the long run, with the closing of the military schools, the number of Army officers will be reduced by 400. In this manner we are trying to reorganize the Armed Forces," he said.

He admitted that the state budget will be adapted to this new situation and that the funds earmarked for this sector will also be reduced. [passage ommitted]

Military Personnel Withdrawn From Eviction Duty

PY0408164690 Asuncion ABC COLOR in Spanish 4 Aug 90 p 14

[Text] President Andres Rodriguez yesterday ordered that Joint Task Force personnel withdraw from areas occupied by peasants. He made it clear that military personnel will no longer participate in evicting squatters and said that from now on the police will be charged with enforcing court eviction orders.

Rodriguez again reaffirmed his government's decision to guarantee private property, saying: "We are determined to continue to strictly enforce the law and defend private property."

Peru

Prime Minister Hurtado To Give Speech on 8 Aug

PA0408140790 Lima Panamericana Television Network in Spanish 1250 GMT 4 Aug 90

[Text] Prime Minister Juan Carlos Hurtado Miller announced last night in a speech to the nation that around the middle of next week he will announce the economic measures that will be implemented by the Fujimori government. He explained that the delay in the announcement was caused by the chaotic situation left by the Aprista [American Popular Revolutionary Alliance] government.

[Begin Hurtado recording, in progress] ...had reported that I was going to address you on television this weekend to announce the stabilization program urgently required by Peru's economy to halt the grave social cancer of inflation we are currently experiencing as a result of the disaster we have inherited from the previous administration. The truth is that I will make this presentation around the middle of next week, accompanied by a group of production-related ministers of the Cabinet that I head.

This delay is not because, as a commentator said, the program is yet to be defined. The measures are drafted and ready to be promulgated. There are two principal reasons for postponing the announcement until this coming Wednesday [8 August]. First, the state of the public administration we have received is more chaotic than we had thought possible. The state treasury is depleted, state enterprises have been charged for goods and services that have not yet been produced, and debts to suppliers, contractors, and exporters are enormous. In fact, there are legal proceedings pending with foreign creditors that must be resolved. All of this is taking place at the same time that a grave drought and lack of foreign exchange adversely affect the supply of foodstuffs in the marketplace. The success of the stabilization program is so important for all of our futures that it would be genuinely irresponsible to set it in motion when the state apparatus is still not sufficiently prepared to ensure its coherent application, and especially its subsequent implementation over a period of time.

There is also a second reason for this delay. This program is not going to be executed, as I have stated previously, without ensuring protection of Peruvians with lower incomes through a social emergency program. The financing of this program has been agreed to with popular organizations, the church, and Confiep [National Confederation of Private Business]. Financing during the initial months of its execution has been ensured, partly with international cooperation. The social emergency plan will be concentrated on protecting the children in our population from the immediate harm that the stabilization program might generate. The initial effort is intended to help more than 7 million persons over the coming months. You will understand that placing in operation a public soup kitchen program of this sort, with the slow, bureaucratic, and corrupt apparatus we have inherited, is an immense task.

We are now taking all the measures necessary to guarantee efficiency, austerity, and especially morality in handling this program. The social emergency program constitutes an indispensable effort simultaneous to stabilizing the economy. When prices and salaries are adjusted, as we must make major adjustments this coming week, workers and laborers will be defended by mechanisms of collective bargaining and direct contact with management of the enterprises. However, there is an immense majority whose incomes are not increased when prices go up. That is the immense majority that we want to and must protect with the social emergency plan that we will put into operation. Therefore, I ask all Peruvians to exercise patience and understanding toward the new government in these initial days of its administration. Next week will be critical in the struggle against inflation and misery. We will require the support of all. Of the media we require reliable and responsible reporting of news. Of the most privileged of Peruvians we require manifest expressions of solidarity and generosity. Of the political parties and their representatives, we require maturity and selflessness during these difficult hours through which we are all living.

As President Fuijimori stated in his 28 July message, despite all the difficulties that confront us, Peruvians have not lost the power of reason or faith. The Government strives to reach a national understanding through dialogue, concerted efforts, a search for consensus, and assigning special attention to the poorest sectors. The mechanisms to further this goal will begin next week. Only in this manner will we be able to overcome the most serious crisis in our history and establish the basis for an all-encompassing development that will allow production to grow and the least favored sectors to have increased incomes and improved well-being. [end recording]

Foreign Minister To Seek Financial Development

PY0308185090 Lima EL COMERCIO in Spanish 31 Jul 90 p A 4

[Text] On 30 July, Luis Marchand Stens was introduced as the new foreign minister at the Torre Tagle Palace. During the ceremony he outlined the main guidelines of the Foreign Ministry policy to be implemented by the Government of Alberto Fujimori.

Marchand, who is a career ambassador, a lawyer, and a university professor, outlined President Alberto Fujimori's program in the area of foreign relations.

He said that the government will first seek to reestablish Peru in the international financial system in an attempt to reduce its foreign debt and to increase the number of credits to Peru. He also mentioned the policy of promoting friendships based on mutual benefit and strengthening financial links with the industrialized countries of the western bloc, the Pacific Basin, and East Europe.

The third important guideline is aimed at obtaining resources from international organizations, nongovernmental organizations, and industrialized countries.

Within this third important guideline, Marchand Stens cited the following three basic steps:

A national financial program aimed at investing more foreign resources in the fight against the extreme poverty; to punish those who use those resources that were exclusively allocated to meet previously agreed objectives. He also said that he will encourage the Peruvian Embassies and consulates to try to obtain resources.

The third guideline is a policy for strengthening foreign trade to ensure more exports, stable export trends, and the creation of new markets.

Minister Marchand added that relations with the neighboring countries will be intensified through the committees that will work to stimulate and increase mutual trust, to make the border integration programs more dynamic, and to achieve a broader economic integration.

Marchand said: We have also reevaluated the efforts toward Latin American cooperation and integration, bearing in mind that agreements must be reached with the private sector, which is the main promoter of the integration process.

The new foreign minister also said that his ministry will try to achieve regional collective security in Latin America, and that this security will be based on the principles of nonintervention and Latin American solidarity. He added that this will channel more resources for the region.

Marchand is also considering the possibility of developing with the international organizations a pragmatic, responsible, and professional policy that will give priority at the international forum to actions that can help to improve living conditions in Latin America.

He finally mentioned the permanent fight, at the Foreign Ministry level, against drug trafficking and terrorism, and the ministry's consistent policy aimed at promoting and defending human rights.

"This is the foreign relations policy to be implemented by our administration," Marchand commented.

In a short ceremony that was attended by former Foreign Ministers Sandro Mariategui, Jose de la Puente Radbill, Fernando Schwalb Lopez Aldana, Javier Arias Stella, and Edgardo Mercado Jarrin, Alfonso de Rivero Monsalve was installed as deputy foreign minister. It has been reported that former Foreign Minister Guillermo Larco Cox did not attend the ceremony "for personal reasons."

Interior Minister on Police Reorganization

PA0308182490 Lima Panamericana Television Network in Spanish 0300 GMT 2 Aug 90

[Text] Peruvian Interior Minister Adolfo Alvarado Fournier said today that the government will continue reorganizing the National Police and will therefore continue discharging police officers and members. In addition, Minister Alvarado denied that the Armed Forces will have anything to do with institutions such as Dircote [Counterterrorism Division] within the new strategy for the struggle against subversion.

[Begin recording] [Alvarado] Presently, the police have all their offices and operational units under their control and command.

[Reporter] Are there any plans for the Armed Forces to assume control of those offices, including Dircote, which is one of the operational units of the police?

[Alvarado] Not at all. You know that we must carry out an overall struggle against drug trafficking and subversion. The Armed Forces and the police will work jointly and toward the same goal, but each of them will work with their corresponding units.

[Reporter] In other words, each of them will maintain their autonomy as they have done up until now?

[Alvarado] Exactly, they will maintain their autonomy. They will simply conduct a joint and overall work.

[Report] General, there is a certain report that we would like you to clarify for us. What can you tell us about those officers who will be discharged for having some kind of a link with former interior minister Agustin Mantilla? It is said that there are approximately 85 officers who will be discharged because of their ties to the former minister.

[Alvarado] That is not true. We are simply reorganizing the National Police.

[Reporter] How many officers will retire or be discharged besides the ones who have already been discharged?

[Alvarado] We are conducting studies in order to make the necessary changes. I cannot give you figures at present.

[Reporter] But will the purging continue? Will the government continue discharging officers?

[Alvarado] No, we are not conducting a purge? We believe...

[Reporter, interrupting] In other words, this process should not be considered a purge?

[Alvarado] By any means. The reorganization of the National Police will continue. It is not a short process.

[Reporter] Why is the government reorganizing the police? Do the police institutions and units have poor organization?

[Alvarado] The police forces were created, but they were never truly organized and coordinated. Thus, we are simply completing that organization. That is all. [end recording]

National Police Director General Installed

PY0308152090 Lima EL COMERCIO in Spanish 1 Aug 90 p A-5

[Excerpt] PNP [Peruvian National Police] Lieutenant General Adolfo Cuba y Escobedo was installed as director general of the National Police during a noon ceremony on the grounds of the PNP officers school in La Campina (Chorrillos) yesterday. The ceremony was attended by Interior Minister General Adolfo Alvarado Fournier.

During the same ceremony, PNP Generals Victor Manuel Alva Plasencia, Jesus Fuentes Lopez, and Jose Guadalupe Zuta Vaiqui were also installed as directors of the General Police, Technical Police, and Security Police, respectively. [passage omitted]

New Central Bank Directors Sworn In

PY0408190090 Lima EL COMERCIO in Spanish 1 Aug 90 p A-5

[Summary] Esteban Hnylicza and Martha Rodriguez were sworn in yesterday as the new directors of the Central Reserve Bank by Supreme Court President Eloy Espinosa Saldana Catasus in a ceremony at the Ambassadors Hall of the Supreme Court of Justice. Jorge Luis Garcia Pazoz will also continue in his position as a director. The BCR will continue to have three directors, representing the executive branch, as an exceptional measure until the Senate appoints its representatives.

Official Discusses Impact of Oil Shortage

PA0508231990 Lima Panamericana Television Network in Spanish 0300 5 May 90

[Text] In view of the serious situation in the Persian Gulf—due to the Iraqi invasion of Kuwait—the international community has been experiencing a war of nerves, since the price of oil went up to $25 dollars per barrel. A Petroperu [State Petroleum Agency] official has warned that an oil shortage would affect the United States, Japan, Europe, and Peru, which also depends on oil imports.

[Begin recording] [Petroperu official Ciro Davila] Saudia Arabia is the world's largest oil supplier. As a result of this conflict the international price of a barrel of oil went from an average of $20 dollars to $24 or $25. Neither Kuwait's nor Iraq's production has decreased, but the situation is unsettling and is causing a war of nerves on the international oil market. As a result, the price of a barrel of oil increased to $24 or $25 the day after the conflict began.

[Reporter] If the conflict were to continue, would we be in danger of running short?

[Davila] No doubt. If the conflict were to continue, the countries that would be hurt the most would be the top oil consumers, namely, the United States, Japan, and Europe. This conflict will have a decisive impact on the international oil economy, because two of OPEC's major suppliers would have an oil shortage. In Peru, this situation will have a major impact because we import oil. This means that the price of the crude we import will increase by $4 or $5, if this international crisis continues.

The way to counter this situation is to explore for oil. We have liquid hydrocarbons. We have oil, but we must look for it. We must expand exploration. We must implement an energy policy based on credibility and reliability so that multinational companies can come to this country and take over exploration tasks, with the high cost it entails. [end recording]

Change 90 Leader Slain in Junin Departments

PA0508050190 Lima Panamericana Television in Spanish 0412 GMT 5 Aug 90

[Text] (Ricardo Canchanguia), secretary general of Change 90 in Junin Department, was murdered at his home by alleged members of the Shining Path guerrilla group.

Several accurate shots were fired at the head and abdomen of the successful businessman, who was general manager of the Surge stores in Huancayo.

It has been reported that at approximately 2000 on 3 August (Canchanguia) left his store on the second block of Giraldez Avenue in Huancayo City. He entered his car and drove home, which is also a warehouse for the Surge store on the seventh block of Huancavelica Avenue in Huancayo City. Just as he was about to drive into his garage, two heavy-set, short individuals approached him. They fired at him several times through the car window.

37 Terrorists, 7 Military Men Killed in Clashes

PY0308165090 Lima EL COMERCIO in Spanish 31 Jul 90 p A9

[Text] Tarapoto, 30 Jul—The Political-Military Command, headquartered in this city, today officially reported that 45 people (37 subversives and 7 military men) have been killed in three clashes between Army patrols and Shining Path elements in different locations of San Martin Department.

The first clash took place on the afternoon of Thursday [26 July] near the mouth of the Abiseo River (Alto Huallaybamba, Mariscal Caceres Province) when an antisubversive patrol was going to Juanjui in a patrol boat after carrying out an operation in the Dos de Mayo jungle.

When the boat approached the river mouth, the patrol was ambushed by about 50 subversives who used machine gun and automatic rifle fire. The military men repelled the attack from the river despite the fact that the boat was unstable.

The cross-fire lasted for half an hour during which 12 terrorists were killed. Their bodies were left on the shore while the wounded terrorists and the other attackers managed to flee into the jungle. The Army troops reported six dead and several soldiers wounded.

The Army's casualties are: Lieutenant Milton Deza Gutierrez, who was heading the patrol; Corporals Alex Alva Fuchinagua, Victor Hernandez Tuca, Tony Oliva Huachinoque, Gilberto Satalaya Isusni, and Manuel Flores Panduro—all of them young soldiers from San Martin Department. Soldiers Hebert Ruiz Torres, Marcos Pisco Chong, and Freddy Panduro were wounded.

The second clash took place on Sunday morning in the area called Quebrada de Balsayacu, Campanilla District, 60 km south of Juanjui, on the left bank of the Huallaga River between the towns of Nueva San Martin and La Polvora.

A military patrol was carrying out an antisubversive operation in the area when they came across the bandits. A one-hour shootout ensued. As a result, 15 unidentified subversives were killed. On the Army's side, Peruvian Army Sergeant Jorge Soria Lozano was killed and Corporal Johnny Huaman Ruiz was seriously wounded.

The third clash took place yesterday afternoon near the Magdalena River on the border with Huanuco Department. The military troops killed 17 subversives who were carrying bundles containing medicine. No casualties were reported by the Army.

Government Denies Italian Extradition Request

PY0308153490 Lima EXPRESO in Spanish 31 Jul 90 p 6

[Text] The government has denied the extradition request for Italian citizen Luigi Morra Presuito on charges of drug trafficking and other crimes made by the Italian Embassy at the request of the Naples Appellate Court.

According to Supreme Resolution 261, dated 19 July 1990 and published yesterday in the official gazette, the denial is based on Law 24710 and on reciprocity referred to in the United Convention on Narcotics signed in New York, by which each country has the right to decide on an extradition request.

Regarding the case of drug trafficker Morra Presuito, the extradition was denied because the accused is serving a sentence in Peru on orders from the Supreme Court of Justice, which denied the extradition request on 1 March 1990.

The resolution was signed by Alan Garcia, former president, and Guillermo Larco Cox and Joffre Fernandez, former ministers of foreign relations and justice, respectively.

Uruguay

Government Condemns Iraqi Invasion of Kuwait

PY0408034490 Madrid EFE in Spanish 0314 GMT 4 Aug 90

[Text] Montevideo, 3 Aug (EFE)—Today Uruguay condemned the invasion of Kuwait by Iraqi military troops and urged the UN Security Council to "act with all the energy, determination, and expediency that this very serious situation demands."

In a communique issued by the Foreign Ministry, the Uruguayan Government reiterated its "traditional position condemning the use of force, reaffirming the commitment to respect the sovereign integrity of every country, and to solve international conflicts through peaceful means."

The official communique states that "in view of the serious situation created, the Uruguayan Government expects the adequate intervention of the UN Security Council, who has the duty to establish the existence of an attack and adopt the necessary measures to restore international peace and safety."

Gros Espiell Evaluates Ministers Meeting

PY0308215290 Madrid EFE in Spanish 1609 GMT 3 Aug 90

[Text] Montevideo, 3 Aug (EFE)—Uruguayan Foreign Minister Hector Gros Espiell said today that the common market of the Southern Cone countries will be established in five years on the basis of the integration process started by Argentina and Brazil.

In a meeting with reporters, Gros Espiell evaluated the results of the joint ministerial meeting held by the foreign and economy ministers of Argentina, Brazil, Chile, and Uruguay on 1 August in Brasilia.

Gros Espiell added: "Latin American countries are facing a great historic challenge. We cannot lag behind the current world transformation process, which is characterized by large economic and political blocs."

The integration process started by Brazil and Argentina and the Initiative for the Americas made by President Bush were the main issues discussed by the eight Latin American ministers in Brasilia.

He also said that "the integration process and the U.S. initiative fortunately complement each other and reaffirm their importance because the U.S. initiative does not limit Latin American economic cooperation with other regions of the world.

The main event of the Brasilia ministerial meeting was the inclusion of Uruguay into the Argentine-Brazilian integration process which is already becoming the backbone of the future subregional common market.

Gros Espiell emphasized that "the full participation of Uruguay in the integration process will be made through negotiations and will be formalized through conventional legal instruments, but its presence in all future Brazilian-Argentine meetings is already a fact."

In Brasilia the two Chilean ministers expressed their country's desire to participate in the economic integration process. Paraguay was also asked to join the process, and thus all the Southern Cone countries will be included.

Asked about the possibility that this integration process of four or five countries may collide with other larger Latin American projects, Gros Espiell said: "On the contrary, this process is complementary and compatible with the current organizations like the Andean Pact and the ALADI (Latin American Integration Association).

According to the schedule established in Brasilia, a free trade zone without restrictions between Argentina, Brazil, and probably Uruguay will be operating by December 1994.

At the same time, the eleven members of ALADI, South American countries, and Mexico will work to eliminate all restrictions or commercial barriers among themselves by December 1995.

This will lead to the formation of a Southern Cone common market within the Aladi integration mechanism.

Gros Espiell said: "We are facing a great challenge because implementing an integration process is more complex than agreeing to do it."

He added: "The idea is to draft a total, not a sectorial, integration and to simultaneously carry out the modernization of our economies and the industrial reconversions that are necessary to become internationally competitive."

Regarding other Latin American integration projects, the private economic sectors will also be represented in future ministerial meetings.

Gros Espiell said that the final objective is to transform the closed national economies into open regional economies.

Venezuela

Perez on OPEC, South Commission Report

PA0408041790 Mexico City NOTIMEX in Spanish 0035 GMT 4 Aug 90

[Text] Caracas, 3 Aug (NOTIMEX)—Venezuelan President Carlos Andres Perez said today he trusts OPEC "will not manipulate crude oil prices" due to Iraq's invasion of Kuwait.

"I trust OPEC learned its lesson from past experience," Perez said after noting that oil-producing countries cannot feel happy over a war between two member countries because it benefits no one.

At a news conference attended by former Tanzanian President Julius Nyerere and Malaysian Prime Minister Mahathir bin Mohamed, who are attending the ninth South Commission meeting, Perez regretted that the OPEC summit scheduled to take place in Venezuela this year has been postponed because of the Iraqi-Kuwaiti conflict.

Perez said that producer countries "must maintain a firm hand and continue with current oil policies, avoiding confrontation with the industrialized countries whenever possible but defending the right to give oil its true value."

Perez, Nyerere, and Mohamed agreed that efforts must be made to prevent the South Commission's report, which establishes the specific actions that the Third World countries must take to achieve development, from remaining only on paper.

Nyerere said that they agreed to create the South Secretariat as an organization in charge of coordinating cooperation between lesser developed countries.

The three conference participants agreed that the South's development was only possible through self-support and mutual cooperation. They agreed that, to attain this, immediate actions should be adopted before "sacrifice or suffering force us into agreement."

The former Tanzanian president said that the report, called "The Challenge of the South," will be taken personally to the presidents of the North so as to advance actions for mutual development.

During the closing ceremony Nyerere summarized under five points the South's challenge for the decade: attention to human beings, maximum effort to develop nationally with one's own resources, creation of joint enterprises in all fields, cooperation instead of confrontation with the countries of the North, and promotion of science and technology.

Mohamed said that the commission's report will be taken before the Group of 15.

Meanwhile, President Perez claimed the right of less developed countries to take part in international decisionmaking. He also demanded that the North change the "hegemonic" policy with which it has handled the world economy so that international justice prevails. Finally, he announced a Group of 15 summit will be held in Caracas in June 1991.

Salinas, Perez Renew Energy Agreement

PA0408010590 Madrid EFE in Spanish 1934 GMT 3 Aug 90

[Text] Caracas, 3 Ago (EFE)—Venezuelan President Carlos Andres Perez in Caracas and Mexican President Carlos Salinas de Gortari in Mexico City signed a joint statement today renewing an energy cooperation program between Central American and Caribbean countries.

The San Jose Agreement stipulates that up to 130,000 barrels of oil will be supplied to signatory countries through credits granted by Mexico and Venezuela, amounting to 20 percent of the oil purchases, to finance the commercial exchange of goods and services and short and medium-term economic development projects.

At the time the joint statement was signed, President Perez revealed a letter he sent to President Salinas emphasizing the commercial relations and friendship between the two governments.

Perez highlighted the advances achieved in the Caribbean and in Central America concerning supplying oil and the loans associated with the program.

The Venezuelan president said that trade between Venezuela and Mexico and the countries that participate in the agreement as well as the private sector activities in the infrastructure projects, which are important for the regional economies, have increased.

After pointing out that the current situation is considerably different from the one in 1980 when the energy cooperation program started, Perez said that the agreement has been renewed with an unequivocal willingness for cooperation, despite the conditions of each country's economy.

The short-term loans will be in U.S. dollars with an eight-percent annual interest rate and will mature in five years.

The long-term loans will have a six-percent annual interest rate and will be used to finance Venezuelan and Mexican goods and services.

The agreement calls for a commission to monitor the program's development over the next 90 days and propose new procedures for a more efficient operation.

The document includes formulas to ensure the availability of financing for beneficiary countries both to import goods and services from Mexico and Venezuela and to defray the expenses incurred in the feasibility studies of investment and development projects.

In addition, Perez and Salinas have pledged to expand the total trade of the beneficiary countries and increase these countries' exports to Mexico and Venezuela.

The beneficiary countries of the San Jose agreement are Barbados, Belize, Costa Rica, El Salvador, Guatemala, Honduras, Panama, Jamaica, and the Dominican Republic.

Official Sees No Change in Oil Policy

PA0408164790 Madrid EFE in Spanish 0023 GMT 4 Aug 90

[Text] Caracas, 3 Aug (EFE)—Venezuelan Energy and Mines Minister Celestino Armas stated today existing stockpiles of crude oil can compensate for the amount of crude that will not reach the international market because of the Iraqi invasion of Kuwait. The OPEC oil ministers agreed not to adopt any decisions in light of the Middle East conflict and to examine the market's behavior of the past two days and over the weekend before proposing measures, Armas noted.

This crisis will not have a strong impact on the oil market—he added—since the existing situation has led to oil stockpiles that are unprecedented in OPEC's history, for member and nonmember countries. That high stockpile level has had a serious impact on prices during the second half of last year and led to last week's agreement to keep the production ceiling at 22.5 million barrels per day to reduce the surplus, Armas remarked.

The official added that Venezuela has not yet weighed the decision to increase production; we have a wait and see attitude and are observing the market's behavior. On 6 August, we (OPEC oil ministers) will discuss options in light of the market situation. We are maintaining our price policy and do not support abrupt price increases. The fact that an international conflict is raging at any given time does not alter Venezuela's policy, as this country will not add to speculation that in the long run is harmful to producers and buyers, the Venezuelan minister remarked. Venezuela, along with Iraq and Kuwait, is one of the 13 OPEC countries producing 8.65 percent of the consortium's total output.

Perez on Oil Prices, Foreign Debt

PA0508232090 Madrid EFE in Spanish 1713 GMT 5 Aug 90

[Text] Caracas, 5 Aug (EFE)—Venezuelan President Carlos Andres Perez assured today that the conditions negotiated with creditor banks to pay the country's foreign debt will not be affected by the sudden increase in petroleum prices and described reports to the contrary as speculative.

The local media reported that in keeping with one of the negotiation's clauses, bankers could, as a result of the sudden increase in petroleum prices, ask that a portion of the windfall profits be used to pay the foreign debt.

Perez said that this is speculation, and I do not know the reasons for it. He added that the speculation is unfounded and does not foster optimism in the country.

The Venezuelan president reaffirmed that his government will not speculate regarding the current crisis and assured that he has asked OPEC members to refrain from doing so and from making any decisions without prior consultation.

Perez recalled the consequences faced by petroleum exporters because of the Iran-Iraq crisis and the drastic reduction in prices that followed an initial and furious surge.

We all remember the great lesson of 1980, from which we are still recovering, when petroleum prices dropped abruptly after the dramatic crisis between Iran and Iraq had driven them up, Perez said.

Last week a barrel of petroleum was quoted at up to $26 on international markets while OPEC's goal was to get between $18-$20.

Earlier this year Venezuela and its creditor banks reached an agreement to restructure payment on $21 billion of its estimated $30 billion foreign debt.

Malaysian Prime Minister Mohamed Ends Visit

BK0608065190 Kuala Lumpur BERNAMA in English 0511 GMT 6 Aug 90

[Report by Abdul Rahman Sulaiman]

[Text] Caracas, Aug 6 (OANA-BERNAMA)—Malaysian Prime Minister Dr. Mahathir Mohamed and his wife, Dr. Siti Hasmah, left here Sunday [5 August] night for London on their way home after a five-day official visit to Venezuela which Malaysian officials described as highly successful.

During the visit, the prime minister's first to Latin America, he had talks with Venezuelan President Carlos Andres Perez on a whole range of topics concerning bilateral relations and international issues. Dr. Mahathir and President Perez also signed an umbrella agreement to promote economic and technical cooperation between the two countries.

Among other things, it provides for the establishment of a joint commission to consider ways and means to promote cooperation, particularly in banking and finance, trade, investment, industries and science and technology. The first meeting of the commission is expected to be held at ministerial level in Kuala Lumpur early next year.

Foreign Ministry Secretary General Ahmad Kamil Jaafar told Malaysian newsmen here that one of the most things to emerge from the visit was the clear commitment by Malaysia and Venezuela towards South-South cooperation. He said by Malaysia's own example, perhaps, other countries would be persuaded to to move in the same direction.

Malaysia is seeking closer ties, especially in trade, not only with Venezuela but also with developing countries in South America, Africa and Asia.

Dr. Mahathir was happy and satisfied with his visit during which three other agreements were also signed. They included an agreement guaranteeing payments for exports to each other's country. This will set into motion the establishment of parallel trade promotion agencies by businessmen in both countries with government backing.

Parallel private sector economic associations along the lines of the Malaysia-Japan Economic Cooperation Association would also be set up to complement the work of the trade promotion agencies.

Malaysia has already given Venezuela a list of goods it wishes to export. This included rubber, palm oil, textiles and garment surgical gloves, processed foodstuffs and the national car, Proton Saga.

Venezuela is interested in selling petroleum products and urea and it is expected to submit is export list to Malaysia shortly.

Both countries will encourage investments and are set to explore areas of cooperation in the promotion of tourism.

Ahmad Kamil said Venezuela has also agreed to review its high import duty on palm oil with a view to reducing it in line with the duty on other vegetable oils such as soya bean oil. Other possible areas of cooperation include industries, mineral exploration, agriculture and science.

Guyana

Soldiers Join Colleagues in Trinidad-Tobago

FL0308220290 Bridgetown CANA in English 2145 GMT 3 Aug 90

[Text] Georgetown, Guyana, Aug 3, CANA—A 40-member contingent of Guyanese soldiers flew to Trinidad and Tobago Friday to join Caribbean Community (Caricom) colleagues helping to maintain law and order in the wake of a bloody coup attempt which ended Wednesday with the surrender of the Muslim rebels.

The consolidated operation has been mounted in response to a request to Caricom heads by the Trinidad and Tobago Government. Soldiers are also in Port of Spain from Jamaica, Barbados and the Organisation of Eastern Caribbean States.

Acting chief of staff of the Guyana Defence Force (GDF), Brigadier Joe Singh, who addressed the Guyanese soldiers at the Timehri International Airport shortly before they left, said the soldiers were not on a combat mission, but will be engaged in helping to maintain law and order.

The Guyanese soldiers from the first infantry batallion of the GDF will be under the command of Captain Andrew Pompey. They are expected to be in Trinidad for between one and two weeks.